



SDU Disbursement Processes and Procedures

California State Disbursement Unit

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1 INTRODUCTION

The CA SDU Disbursement Processes and Procedures document is developed in response to the Department of Child Support Services (DCSS) Statement of Work requirements described in State Disbursement Unit Contract No. 50-0377-19, Appendix H and SR1.1.27.

The document provides high-level processing for both paper and electronic disbursements from the point of receipt of the disbursement instructions from the CCSAS Child Support Enforcement System (CSE) through issuance of the paper or electronic disbursements, including reconciliation activities and exception processing. These procedures are not intended to provide detailed work instructions. Work instructions have been developed to detail the steps for each task discussed in this document.

1.1 Purpose

The purpose of this document is to provide a comprehensive high-level understanding of the disbursements processes and procedures required to manage the workflow, human resources, and equipment operations supporting the disbursements component of the CA SDU.

These procedures are designed to ensure the accurate, complete and efficient processing of paper and electronic disbursements; the management of electronic disbursement enrollment applications; the processing of disbursement exceptions (Disbursement Delete, Stop, and Void requests); the prevention of fraudulent manipulation of financial instruments (FIs); and the reconciliation of disbursement activities in accordance with DCSS policy. The procedures are intended to capture detail at the process level, not the work instruction level.

1.2 Scope

This document provides a high-level overview of the processes and procedures used in the disbursement of child support collections. The numbers referenced throughout this section refer to Figure 1-1 Disbursement Interfaces (Red=External/Blue=Internal). Schedules for all file exchanges can be found in INT001.

Disbursement Origination: Disbursements begin with the CA SDU's receipt of the Disbursement Instruction (DINT) File (1 Figure 1-1). It is ingested into KidStar, where a copy of the file is transmitted to the State Controller's Office (SCO) (1A in Figure 1-1). The records are validated and then made available to DCSS and Local Child Support Agency (LCSA) users requesting deletes through a KidStar user interface (UI).

KidStar exports the Check Print File to the Xerox check printing solution (22 in Figure 1-1) and the Outstanding Disbursement File to OPEN SCAN (23 in Figure 1-1). The CA SDU Disbursements Department approves delete requests in KidStar and processes approved delete request forms through OPEN SCAN. The approved delete request sheets include audit trail information of all delete requests along with their bar-coded KidStar Disbursement IDs. OPEN SCAN exports processed disbursements to KidStar, where the disbursement status is updated. A draft report of the CSE Disbursement Report (RCD435) is available in KidStar for DCSS accounting to pull every business day by 12:00P.M. Pacific.

At the end of the disbursement processing day (3:00 P.M. Pacific Time), KidStar completes the origination process with the export of 4 files to CSE (9, 11, 12 and 13 in Figure 1-1), comprising 1 file to the SCO (10 in Figure 1-1), and 1 file to Wells Fargo Bank (8 in Figure 1-1).

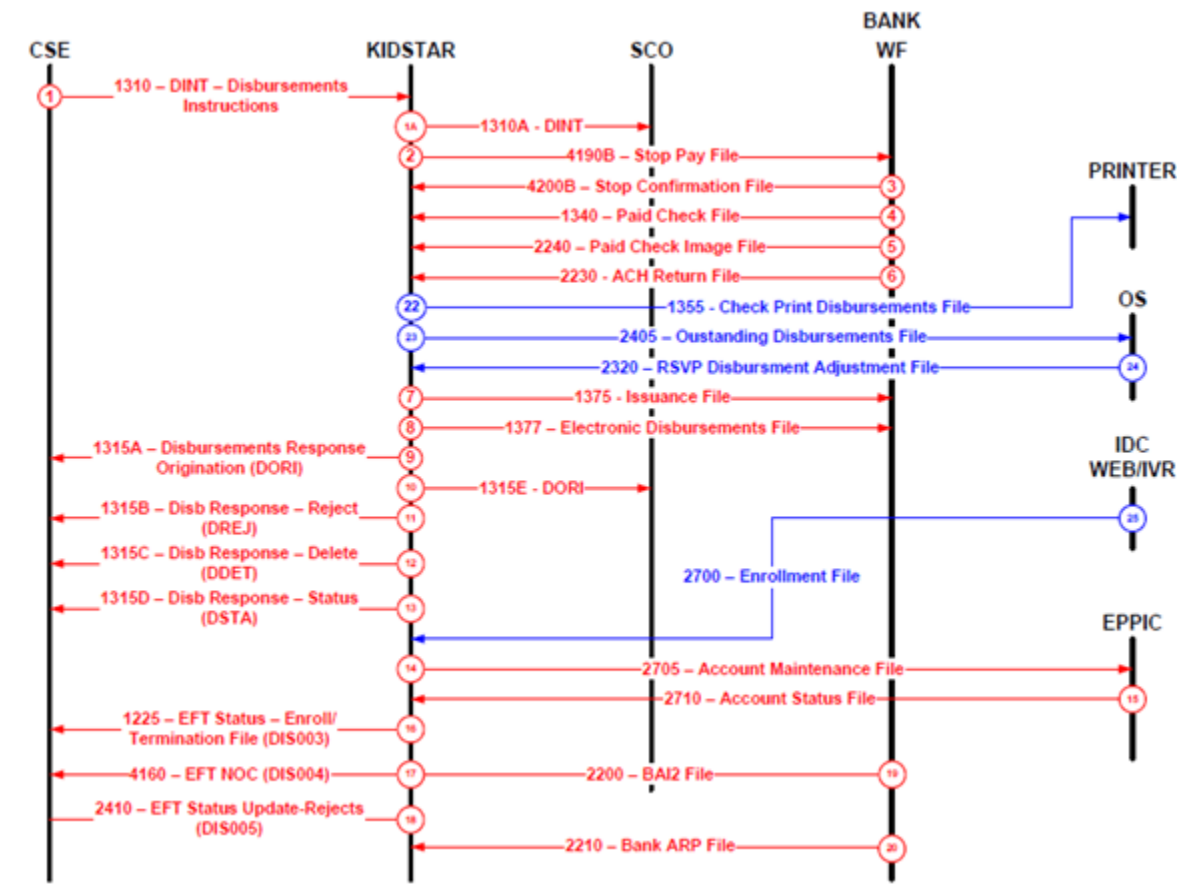


Figure 1-1 Disbursement Interfaces (Red=External/Blue=Internal)

Disbursement Status Updates: In addition to the disbursement origination processes, a number of other processes affect the status of disbursements.

Void and Delete: Using the OPEN SCAN Return, Stop, Void and Pulled (RSVP) application, the status of a disbursement can be changed to Void or Delete (24 in Figure 1-1).

Stop: A Stop Request file to Wells Fargo (2 in Figure 1-1). A Stop Confirmation from Wells Fargo acknowledges a status of Stop (3 in Figure 1-1).

Paid: The Paid Check File and paid check images from Wells Fargo (4 and 5 in Figure 1-1) provide the paid status.

ACH Returns: The ACH Return File (6 in Figure 1-1) updates the electronic disbursement status for the reject records in the file. The information is sent to CSE in the EFT Status Update-Rejects (18 in Figure 1-1)

Stale: A batch process updates check statuses to “Staled” after the prescribed period of time.

All status changes are included in the Daily Disbursement Response Status (DSTA) File (13 in Table 1-2).

Enrollment Process: Imaging, validating and data entry of enrollment applications for electronic disbursements is also a disbursement process. Image Data Capture (IDC) is the application used to process mailed in enrollment application forms. Web and IVR provide self-service enrollment and termination functions. The enrollment information is exported from IDC to KidStar to update or create enrollment records (25 in Figure 1-1). The self-service enrollment and termination information that is performed from the Web or IVR enters directly into KidStar. (25 in Figure 1-1).

KidStar receives from Electronic Payment Processing Information Control (EPPICSM) and maintains a master list of account numbers and PIN statuses it uses to determine whether or not an EPC enrollment needs to be exported to EPPIC/GO (14 in Figure 1-1). KidStar also retrieves the EPPIC/GO Account Status File on a daily basis (15 in Figure 1-1). KidStar releases an EPC enrollment record to be exported to CSE when the account is pinned.

At the end of each disbursement processing day all activation and terminations of direct deposit and EPC are exported to CSE in the EFT Status Update File (16 and 17 in Figure 1-1).

The cancelation of the paper enrollment applications are performed outside the KidStar application. The SDU forwards the cancelation requests to DCSS for processing by e-mail to ccsasbusinessolutions@dcss.ca.gov.

Reconciliation: Reconciliation is also a vital part of disbursement processing. Reconciliation is the comparison of and the adjustments required to ensure that multiple accounts or records report the same activity. The print and mail staff compares the Origination and Status Files with the activity performed to ensure that all records received were processed and reported. KidStar retrieves and ingests the BAI2 files from Wells Fargo on a daily basis (19 and 20 in Figure 1-1) to perform bank-to-book reconciliation for daily transactions. The monthly Account Reconciliation Program (ARP) File (21 in Figure 1-1 is ingested from Wells Fargo to perform monthly reconciliation of the Check Issuance Account. In addition, the Accounting Department ensures that all paid check images are attached to the proper disbursement record.

1.3 Job Responsibilities

The individuals responsible for performing all the tasks and activities related to disbursement processing are described in Table 1-1.

Table 1-1 Job Responsibilities

POSITION	RESPONSIBILITIES
Check Print and Mail Manager	Supervises all check printing and electronic disbursement operations in support of Child Support Enforcement for the State of California. Responsibilities include: <ul style="list-style-type: none"> Manage the printing of child support checks and disbursement of electronic payments. Provide valid user names and passwords as required for equipment.

POSITION	RESPONSIBILITIES
	<ul style="list-style-type: none"> Order materials and supplies Respond to DCSS and LCSA requests for stored documentation and processing logs. Provide support to quality assurance activities performed by the check print operator. Conduct regular security reviews Ensure equipment documents are on hand at the corresponding piece of equipment. Operate check print machines in the absence of their principal operator.
Check Print and Mail Staff	<p>Responsibilities include:</p> <ul style="list-style-type: none"> Complete Daily Processing Checklist Ensure that all required check and electronic disbursement files are received daily and processed through KidStar and SDU360-Notices and Disbursements. Print each day's checks from the files provided by the CSE. Print tray tags. Ensure that the quality of the printed materials meets all required quality standards. Maintain the logs required for check printing. Ensure the blank check materials are maintained in a secure, controlled environment at all times. Scans on the OPEX all Disbursement Delete Request Forms. Scans on the OPEX all Undeliverable Checks returned by the USPS. Maintain all equipment in good working order. Keep all manuals and operator guides near the equipment. Meter outgoing mail that does not meet postal discount requirements. Update the logs required by this part of the disbursement process. Complete the forms required by this part of the disbursement process. Ensure that accurate records are entered daily into the postage metering database. Maintain postage metering equipment, keeping it clean, stocked, and in good working order. Manual insertion of checks. Assist the check print and mail manager
Check Print and Mail Manager	<p>Quality Assurance: It is important that checks are accurate, of high quality, and addressed and sorted correctly. Check printing operations are monitored randomly throughout the print run and again at the end of the run to ensure that the checks meet the following quality assurance requirements:</p>
Check Print and Mail Staff	<ul style="list-style-type: none"> Correct number of checks are printed daily Checks are for the correct amount and are addressed correctly. Checks are sealed correctly.
Quality Assurance Lead	<ul style="list-style-type: none"> Regular checks are delivered to the USPS at the designated time on the same day the data files were received from the CSE.
Quality Assurance Staff	<p>Electronic disbursements operations are monitored throughout the process to ensure that all disbursements are accounted for and processed completely.</p> <p>To further ensure quality, the check print and mail manager:</p> <ul style="list-style-type: none"> Review and reconciles all logs and reports generated daily by the check print and mail staff to verify that all check printing and electronic disbursement activities meet contract requirements. Reviews and completes an FTP report that identifies the number and types of Check Files and electronic disbursement files that are downloaded daily by the CSE to Disbursements. Compare the Daily Check Production Log with the KidStar Daily Disbursements Summary Report to verify that the totals match.
eHelp Desk Mgr	<p>Manages all EFT enrollment processes and address change processes including data entry and customer service related activities.</p>
eHelp Desk Staff	<p>Enters address changes and enters enrollment applications. When an enrollment form is received and marked with cancel or terminate, it is forwarded to DCSS for processing.</p>
EPC Services Mgr	<p>Manages all EPC card processes, including account issuance, activation, reporting, and customer service related activities.</p>
EPC Services Staff	
Accounting Mgr	<p>Manages all banking activities related to disbursement processing, including reconciliation of the bank accounts and reporting all account activities.</p>

POSITION	RESPONSIBILITIES
Accounting Staff	Enters disbursement adjustments, correct paid check image errors, and performs accounting and reconciliation activities.
Technical Mgr	Manages all hardware, software and systems operations in support of Child Support Enforcement for the State of California.
IT Support Staff	<ul style="list-style-type: none"> Manages KidStar Quartz Scheduler. Confirms all KidStar jobs run according to the schedule Reviews Job Logs and responds to errors

1.4 Equipment

The equipment necessary to process disbursements includes the following:

- Xerox ® Nuvera 100 series printer (2)
- Pitney Bowes High Capacity DI950 inserters (3)
- Check Room PC
- Xerox Laser printer
- Pitney Bowes Postal Meter

1.5 Audience

The audience for the CA SDU Disbursement Processes and Procedures document is DCSS management, Xerox SDU project management and operations staff and any state or federal entities responsible for the review, monitoring, and approval of CA SDU procedures, including the Administration for Children and Families (ACF) and the California Health and Human Services (CHHS) Agency which are responsible for the review, monitoring and approval of CA SDU procedures.

1.6 Plan Maintenance

This document will be maintained, reviewed and updated periodically by the CA SDU operations manager.

This document describes our internal processes and procedures for disbursement processing for both paper and electronic disbursements. It is a dynamic document that changes over time. This version represents the CA SDU disbursements procedures currently in use at the CA SDU. While the procedures may change, they will always be consistent with the required SRs as well as the OCSE Guide for Auditing State Disbursement Units and any pertinent certification requirements, DCSS policy or business rules established for CA SDU processing.

The processes and procedures described are high level. The detailed work instructions that will be used by the CA SDU staff for each process will contain the actual detailed steps for each of the disbursement processes.

1.7 Structure Definition

The structure of each section of this CDL includes:

- **Overview** - Provides the overall context and set up for each procedure and answers any related questions not clearly delineated by the actual procedures themselves
- **High-Level Process Flow Diagrams** - Provide a visual representation of the flow of procedures required for each segment of the Disbursements process
- **Introductory Text** - Provides the immediate context related to the procedures
- **Procedures** - Outline the actual steps required to complete disbursements procedures

A complete cross reference is provided in Appendix C. A quick cross reference is provided in Table 1-2.

Table 1-2 Quick Reference Guide: Deliverable Checklist to Procedure

CHECKLIST SECTION #	SR REFERENCE #	DB 001 SECTION #
1	3.2.4, 3.2.5, 3.2.6, 3.4.3,	Section 5
1	3.4.1, 3.4.4, 3.4.11, 3.4.12, 3.4.13	Section 3
2	3.4.20, 7.1.5	Section 3
2	3.4.28, 3.4.29	Section 4
3	3.2.1, 3.2.2, 3.2.3, 3.2.7, 7.1.6	Section 3
4	3.3.23, 3.3.36	Section 3
5	3.1.3, 3.1.4, 3.1.7	Section 6
5	3.4.10	Section 3 & 10
6	3.4.15, 3.4.16, 3.4.17, 3.4.32, 6.1.5	Section 3
6	3.4.18	Section 4
7	6.1.10	Section 3
8	3.1.6	Section 3
8	3.4.5, 3.4.6, 3.4.14, 6.2.4, 6.2.16, 6.2.17, 6.2.18, 6.2.19	Section 7
9	3.18, 3.4.30, 3.4.31	Section 7
10	3.1.1, 3.1.2, 3.4.7, 3.4.8, 3.4.9, 5.5.4	Section 6

1.8 Referenced Documents

Table 1-3 Referenced Documents

DOCUMENT TITLE	AUTHOR	VERSION/DATE	RELEVANCE TO DOCUMENT
DCL 03-17, Guide for Auditing State Disbursement Units	OCSE	June 2003	Internal Controls, Audit Standards
IRS Publication 1075	IRS	OMB No. 1545-0962; 08-2010	Internal Controls, Audit Standards
NACHA User Guide for Electronic Child Support Payments	ACF	Version 6.1, 10/9/2007I	Internal Controls, Audit Standards
RFP #CCS182, State Disbursement Unit Request for Proposal and all addendums	DCSS	CCS182 4/14/2010	Statement of Work, Procedures
Xerox Proposal Response	Xerox	10/14/2011	Responses to RFP Requirements
CDL DB 001 Deliverable Checklist	DCSS	06/2011	Content and SOW Reference Checklist
OPS-001 SDU Operations Management Plan	Xerox	Version 7.0	Management Plan
OPS-005 SDU Problem Resolution Management Plan	Xerox	Version 4.0	Escalation Procedures

DOCUMENT TITLE	AUTHOR	VERSION/DATE	RELEVANCE TO DOCUMENT
OPS-007 SDU Quality Assurance Plan	Xerox	Version 4.0	Internal Controls, Change Controls

1.9 Associated SOWs

Table 1-4 Associated SOWs

SOW#	CATEGORY	SUBCATEGORY	REQUIREMENT TEXT	SOURCE REFERENCE
SR1.1.27	CD - Contract Deliverables	GEN - General	The SP shall prepare, deliver and maintain the SDU Disbursement Processes and Procedures (CDL DB 001).	Project Charter, Goal Set 4

2 OVERVIEW OF DISBURSEMENT PROCESSES AND PROCEDURES

2.1 Introduction

The disbursements processed by the CA SDU are a direct result of the collections posted during payment processing at the CA SDU. The collections data is sent to the CSE in a separate processing stream (see CDL-019 CO 001 Collections Processes and Procedures). The CSE ingests all payment information, matches it to child support cases, and sends back the resulting payment instructions to the CA SDU in the Disbursement Instruction (DINT) File.

In addition to the disbursement instructions, the DCSS and LCSA staff may request that a disbursement be deleted or stopped via KidStar applications. Child support recipients may elect to have their disbursements be directly deposited to their bank accounts or deposited to electronic payment cards, by submitting their enrollment via IVR, Web, mail or fax.

Records received in the DINT File pass through a series of automated verification and validation processes to determine:

- That the file is complete – that is, the file has the required header and trailer records and the header/trailer sum and count fields match that from the detail.
- That the transmission ID has never been processed before
- That the **Disbursement Information Record (DIR)** disbursement IDs in the file have never been processed before
- That the DIR disbursement IDs is not duplicated in the DIR records in the file

If the file does not pass these validation tests, the CA SDU's technical team reviews the specific failure that occurred. If the CA SDU team cannot resolve the problem, they will consult with their counterparts at CSE to determine where the failure occurred and what recovery steps need to be taken. Once the file passes all validation and verification screens, KidStar ingests the verified DINT file into the disbursement workspace, according to the rules in Figure 2-1.

Figure 2-1 Rules for Ingesting DINT File into Disbursement Workspace

METHOD	TEMPLATE/FORMAT	DISBURSEMENT INFORMATION Record (DIR)	DISBURSEMENT REMITTANCE RECORD (DRR)	OBLIGEE INFORMATION Record (OIR)
CHK	ALL except 005	1 Check Disbursement Per DIR	1 or more DRR per Disbursement Information (DIR); 1 Disb Stub Detail per DRR 1 line on check stub per Disb Stub Detail	0 OIR per DRR
CHK	005	1 Check Disbursement Per DIR	1 DIR may have multiple DRR 1 Disb Stub Detail per DRR 2 lines on check stub per Disb Stub Detail	1 OIR per DRR
EPC		1 EDISB Disbursement Per DIR	1 DRR per DIR; 1 Disb Stub Detail per DRR	0 OIR per DRR
ACH	PPD	1 EFT Disbursement Per DIR	1 DRR per DIR; 1 Disb Stub Detail per DRR	0 OIR per DRR
ACH	CCD	1 EFT Disbursement Per DIR	1 DRR per DIR; 1 Disb Stub Detail per DRR	1 OIR per DRR; 1 Addenda per DRR/OIR
ACH	CTX (for future use)	1 EFT Disbursement Per DIR	1 or more DRR per DIR; 1 Disb Stub Detail Per DRR	1OIR per DRR; 1 Addenda per DRR/OIR

Reports are also generated to provide information regarding the disbursements processed at the CA SDU to DCSS and CA SDU operations staff. Upon generation, these reports will be exported from KidStar to a secure service site where they can be pulled down by CSE. Certain reports can also be generated on demand.

All disbursement activity is stored electronically and the information and images related to those records is available for viewing through the KidStar Customer Service Query application. As paid check images are received from the bank(s), they are matched to disbursement records.

The remainder of this document will describe all the processes necessary to process disbursements.

Although disbursement processes and procedures are provided in this document in a sequential order, many processes run concurrently so that an individual may be performing work instructions across multiple processes throughout the day.

2.2 Disbursement Response Origination File Processing

Xerox follows a specific sequence of steps and timeline when processing disbursements. All jobs have been staged in KidStar Job Management using the Quartz Scheduler. Most of the disbursement processes are automated and require minimal operator intervention. The CA SDU disbursement and technical staff check for problem alerts and view logs to ensure that

disbursement files were successfully ingested and exported. If any problems occur, the operator notifies the disbursements processing manager or the CA SDU systems manager.

2.2.1 Receive Disbursement Instructions from CSE

Child support collections sent to the CSE each day are applied to child support cases, and the CSE sends the CA SDU the Disbursement Instructions (DINT, also known as ICD 1310 within KidStar) File for all child support collections available to be disbursed that business day. The CA SDU receives the file and automated system processes begin identifying how each record is to be processed.

2.2.2 Send DINT File to SCO

Immediately upon ingest of the DINT File from the CSE, KidStar generates an export of that file, known as the ICD 1310A within KidStar. This file is transmitted to the State Controller's Office (SCO) at 7:00 AM Pacific Time. The technical team verifies through KidStar Job Management and Job Logs that the files were ingested and exported accurately and timely.

2.2.3 Enter Disbursement Deletes in KidStar

This procedure describes the steps that an authorized DCSS, LCSA, or CA SDU user would follow to submit a request to delete a disbursement record in the current day's file. The Submit Delete Request application is available to DCSS and LCSA users from 8:00 A.M Pacific Time to 11:00 A.M Pacific Time each processing day.

2.2.4 Process Disbursement Delete Requests

When the delete request cutoff (11:00 A.M Pacific Time) occurs, the check print and mail staff process delete requests by approving them in KidStar and scanning the approved documents in OPEN SCAN for automated processing. Approved delete request sheets include audit trail information of each delete request along with a bar-coded KidStar Disbursement ID. OPEN SCAN exports the processed disbursement in the RSVP Disbursement Adjustment File to KidStar. KidStar ingests the RSVP File and updates the disbursement status to complete the delete request processing.

2.2.5 Send Check Status File to OPEN SCAN

OPEN SCAN stores disbursement status information for use in processing returns and deletes. This procedure describes the export process and the technical team's procedure to verify that the file was exported accurately and timely.

2.2.6 Print and Insert Checks

After the DINT File has been processed, the check print and mail procedures begin. These processes describe the procedures followed to create the Check File, insert the printed checks into envelopes, and prepare them for mailing.

2.2.7 Generate Disbursement Balancing Report

After paper and electronic disbursement processing has been completed, the check print and mail staff members generate the Disbursement Balancing Report to ensure that all the records included in the DINT File have been processed and that the total count and amount of all the Status files balance to the DINT File.

2.2.8 Send Unsigned Disbursement Instructions Report to CSE

As soon as all disbursement instructions have been processed for the day, KidStar generates the Disbursement Instructions Report. The generation of the report is an automated process. CA SDU technical staff verifies that the report is generated and transmitted accurately and timely each processing day.

2.2.9 Prepare Checks for Courier

Print and mail staff secures the checks for transport to the United States Postal Service (USPS) by the courier. This procedure describes the activities associated with preparing the checks for transport to the USPS.

2.2.10 Generate and Maintain Reports

This procedure describes how to generate reports from the Jasper Reports server and how the records are maintained. Individual procedures identify any reports generated or accessed during the performance of the procedure.

2.2.11 Maintain Check Error Log

This procedure is used by the print and mail staff to record information about any checks that were damaged during the daily printing process.

2.2.12 Maintain Secure Storage Log (Cage Access Log)

This procedure describes how the print and mail staff record the individuals and inventory that enter and exit the secure storage room located in the print room.

2.2.13 Send CSE Disbursement Report (RCD435) to DCSS

RCD435 is the official document provided to DCSS. DCSS forwards it to SCO to notify them of the funding necessary for the DCSS Master Fund Account. It is the responsibility of CA SDU accounting/recon staff to ensure that the letter is faxed accurately and timely to DCSS.

2.2.14 Send EOD Positive Pay Issuance File to Bank

The Positive Pay Issuance File (also known as ICD 1375 within KidStar) is used by Wells Fargo Bank to enforce positive pay rules. When checks drawn on CA SDU accounts are presented, the bank verifies that the check number, payee and amount matches the values received from KidStar. The file includes any checks issued, voided, stale-dated, or stopped during the processing day. It is up to the CA SDU technical operator to ensure that the file is transmitted to the bank accurately and timely.

2.2.15 Send Electronic Disbursements File to Bank

The electronic disbursements file (ICD 1377) is transmitted from KidStar to Wells Fargo each business day. It notifies Wells Fargo of all the electronic payments, both electronic payment card (EPC) and direct deposit (ACH), included in the Disbursement Instruction File, with rejected and deleted disbursements removed.

2.2.16 Send Response Files to CSE: DORI, DREJ, and DDET

The Response Files are the manner of delivery of the status of each record received during the processing day in the DINT File. There are four Response Files that are generated by KidStar and sent to CSE. Three of these files are sent after origination processing is complete: Disbursement Response Origination (DORI), also known as ICD 1315A within KidStar; Disbursement Response Reject (DREJ), known as ICD 1315B; and the Disbursement Response Delete (DDET), also known as ICD 1315C. The Disbursement Response Status (DSTA), also known as ICD 1315D, is sent following processing of the disbursement status updates. The CA SDU's IT staff ensures that these files are transmitted accurately and timely.

2.2.17 Send DORI File to SCO

The State Controller's Office requires its own variation of the Disbursement Response Origination File (DORI) to identify the transactions that require funding. The information sent to SCO is exactly the same information that is sent to CSE but transmitted in a fixed file format; record counts in the two files are the same, but the CSE version is in XML format whereas the SCO version is in a columnar format. This is different from the DORI sent to CSE and is also known as ICD 1315E within KidStar. The CA SDU information technology (IT) staff ensures that these files are transmitted accurately and timely.

2.3 Disbursement Response Status Updates

2.3.1 Receive and Void Returned Checks

When a child support check is mailed and then it is returned by the United States Postal Service (USPS) to the CA SDU as undeliverable, the physical check is voided by the check print and mail operators. All returned envelopes are scanned and the information supplied by the USPS is recorded directly into the CSE by CA SDU data entry operators. After scanning, OPEN SCAN exports the processed disbursement in the RSVP (Return, Stop, Void and Pulled) Disbursement Adjustment File to KidStar. KidStar ingests the RSVP File and updates the disbursement status to complete the void check processing.

2.3.2 Process Manual Check Pulls

DCSS has the authority to request that any check printed from the current day's disbursement instructions be pulled before the courier has picked up the printed checks for delivery to the USPS. It is the responsibility of the print and mail manager or designee to pull a check from the tray.

2.3.3 Enter Check Stop Requests in KidStar

This procedure describes the steps that authorized DCSS, LCSA, or CA SDU users follow to submit a request to stop an outstanding check at the bank through the KidStar UI.

2.3.4 Send and Receive Stop Requests and Acknowledgements

KidStar provides a user interface to DCSS and LCSA users in which stop requests can be entered. KidStar sends these requests to Wells Fargo (in files known as ICD 4190B) periodically between 10:00 AM and 4:00 PM Pacific Time on business days. Wells Fargo acknowledges the received stop requests in a confirmation file known as ICD 4200B.

2.3.5 Receive Paid Check File and Paid Check Images

Wells Fargo Bank sends files to the CA SDU daily, listing the checks and their associated images that are paid for the prior business day. KidStar ingests the Paid Check File (ICD 1340) and the Paid Check Image File (ICD 2240). In this process, KidStar updates the disbursement status to paid and links the images to disbursements.

2.3.6 Receive ACH Returns

Wells Fargo Bank sends ICD 2230 files to the CA SDU on business days, listing the ACH disbursements that were returned by the depository banks.

2.3.7 Stale Date Batch Process

KidStar runs a batch process to update the disbursement status to "Stale Date" when the check disbursement is still outstanding after a pre-configured Stale-date. The CA SDU's IT staff ensures that this process is completed accurately and timely.

2.3.8 Send Response File to CSE: DSTA

At the end of the disbursement processing date, KidStar exports the voided, stopped, paid, staled, and returned status updates to CSE in the Disbursement Response Status (DSTA) File (ICD 1315D) File is sent following disbursement status update processing. The CA SDU's IT staff ensures that these files are transmitted accurately and timely.

2.3.9 Process Electronic Enrollment Applications and Terminations for electronic Disbursements

Custodial parties are encouraged to have their child support payments deposited directly into their bank accounts or onto an Electronic Payment Card.

Electronic enrollments activations and terminations are processed through the website or IVR by the CP. The CP is able to enroll in direct deposit or sign up for an electronic payment card. Once enrolled, the CP is able to cancel the direct deposit or electronic payment card through the website or IVR.

Paper direct deposit enrollment forms are processed within two business day of receipt. The paper direct deposit enrollment forms process begins when the enrollment paper applications are received through the mail and the process is initiated on the same day the request is received using the OPEX and Image Data Capture (IDC) to capture and update the information in the KidStar system. (see Figure 5-1).

All identified paper termination requests for Direct Deposit or EPC are e-mailed to DCSS at ccsasbusinesssolutions@dcss.ca.gov for processing on the same business day as received.

Data from Direct Deposit enrollments and terminations are sent to CSE the day they are processed via EFT update file. Data for EPC enrollments are sent to CSE via data file only after the Custodial Parties has pinned his/her card. Data for Custodial Parties terminating EPC, based on the cancelation request on the website or IVR, is sent to CSE the day they are processed via EFT update file.

2.4 Reconciliation Process

2.4.1 Create Disbursement Adjustments

As part of reconciliation activities, the CA SDU accounting/reconciliation staff record disbursement adjustments in the KidStar Financial Management UI. ACH/EPC Reversal Requests, need to be manually entered as disbursement adjustments.

2.4.2 Process EFT and EPC Reversals

DCSS may at times request that an EFT or EPC disbursement be reversed. The CA SDU accounting/reconciliation staff generates the documentation necessary and works with banking partners to submit the request and to track responses.

2.4.3 Reconcile Check Disbursement ZBA Account

The CA SDU accounting/reconciliation staff performs daily and monthly reconciliations of the check disbursement Zero Balance Account (ZBA) by accessing the Wells Fargo online Account Information Reporting System and verifying that the activity that occurred in KidStar is recorded at the bank. Any discrepancies are researched, identified, and recorded in KidStar for tracking until cleared.

2.4.4 Reconcile electronic Disbursement ZBA Account

A separate ZBA at Wells Fargo for ACH and EPC disbursements is also the repository for all ACH returns. The CA SDU accounting/reconciliation staff performs a daily reconciliation of the electronic disbursement ZBA account by accessing the Wells Fargo online account information reporting system and verifying that the activity that occurred in KidStar is recorded at the bank. Any discrepancies are researched, identified, and recorded in KidStar for tracking until cleared.

3 DISBURSEMENTS ORIGINATION

3.1 Overview

The disbursement origination process is made up of the procedures related to processing the disbursement files and status change requests, printing and mailing checks, and transmitting output files to SCO and CSE with the results.

The CA SDU receives a daily Disbursement Instruction (DINT) file from the CSE containing the disbursement records and the instructions for processing them by direct deposit, EPC and paper checks. KidStar validates the file for accuracy and completeness before ingesting it. Once ingested, a copy of the file is sent to the SCO.

If files are not received or sent according to the proper procedures, an escalation process is invoked that sends alerts of process failures. The escalation process is detailed in CDL-012 OPS-005 SDU Problem Resolution Management Plan. The KidStar Process Log records ingest activity.

Figure 1-1 displays the full overview of disbursement file processing. Figure 3-1 below displays only the interfaces discussed during disbursement origination.

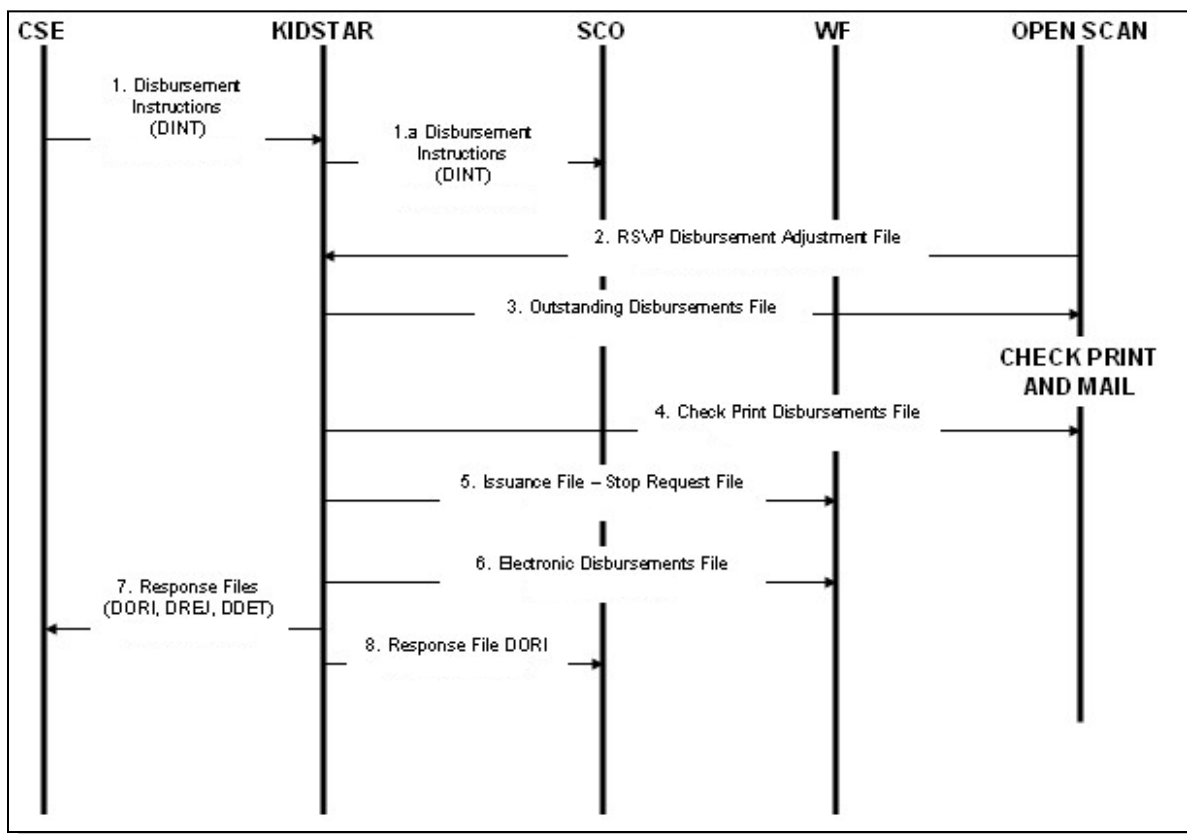


Figure 3-1 Disbursements Origination

3.2 Receive Disbursement Instructions from CSE

The DINT File is used to notify the CA SDU that a disbursement of funds should occur. Disbursement instructions are generated by CSE with relevant details necessary to issue the paper and electronic disbursements. Multiple disbursements to be paid by check to a single payee are consolidated by CSE. The CA SDU disburses payments in accordance with these disbursement instructions pursuant to the CSE/SDU IDD. [SR3.4.4] The disbursement process begins when CSE sends the DINT File (DIS-001) to the SDU's SFTP server. The SDU's KidStar system polls for the existence of the DINT file (ICD 1310) between 12:30 AM and 3:00 AM Pacific Time. If the file is not received within that timeframe, it is considered late, and the KidStar polling job will fail, at which time the SDU's technical staff is engaged.

Once the file polling job finds the DINT file on the SDU's SFTP site, it triggers the task to ingest the file into KidStar. The ingest job is composed of a number of tasks including:

- Rejection of the file if the required data is missing – The file must contain the required header and trailer records, the transmission ID must not have been processed before, and the DIR disbursement IDs must never have been processed before and are not duplicated with the file.
- Validation of the data – Disbursement records are validated by KidStar according to DCSS business rules. Any disbursement record failing the validation is marked as "Rejected" with the appropriate reject reason code as listed in the tables below.

Table 3-1 ACH Disbursement Validation and Reject Reason Codes

REJECT CODE	ACH DISBURSEMENT REJECT DESCRIPTION
U01	No routing number present
U02	No bank account number present
U03	No Disbursement Method indicator present
U04	No account type indicator present
U05	No record format indicator present
U06	No FIPS code present
U09	No Disbursement amount present
U24	No Payee Full Name present
U34	Disbursement ID is not present or is not unique

Table 3-2 EPC Disbursement Validation and Reject Reason Codes

REJECT CODE	EPC DISBURSEMENT REJECT DESCRIPTION
U01	No routing number present
U02	No bank account number present
U03	No Disbursement Method indicator present
U09	No Disbursement amount present
U24	No Payee Full Name present
U34	Disbursement ID is not present or is not unique

Table 3-3 Check Disbursement Validation and Reject Reason Codes

REJECT CODE	CHECK DISBURSEMENT REJECT DESCRIPTION
U03	No Disbursement Method indicator present
U09	No Disbursement amount present
U15	No Postal Code present
U16	No State present when country code = US
U20	No City present when country code = US
U22	No Address Line 1 present
U23	No Country Code present
U24	No Payee Full Name present
U29	No Template Indicator present
U34	Disbursement ID is not present or is not unique

- Unique check numbers are assigned to each record. The first number of each disbursement check number identifies the type of disbursement created. [SR3.4.1]

Table 3-4 Check Number Assignments

BEGINNING #	TYPE OF DISBURSEMENT
3	Paper Checks
4	Electronic Payment Card (EPC)
6	Direct Deposit into a bank account (DD or EFT/ACH)

- If the file was not received on schedule, or if there was an abnormal end (ABEND) during file processing, KidStar sends alerts. The alerts are sent to the management team for action. The escalation procedures to be followed by the operations team are included in the training and are documented in CDL-012 OPS-005 SDU Problem Resolution Management Plan.

Table 3-5 Procedure 2.1-1 Receive Disbursement Instructions from CSE

STEP	PROCEDURE 2.1-1 RECEIVE DISBURSEMENT INSTRUCTIONS FROM CSE
1	Check Job Log for Ingest of ICD 1310 (DINT). The technical operator logs into KidStar Job Management to verify that the ICD processed timely and without errors.
2	Escalation Process: Follow escalation work instruction if a fatal error occurred.

3.3 Send Disbursement Instruction File to the State Controller's Office

KidStar transmits the DINT File received from the CSE to the State Controller's Office (SCO) as soon as is successfully ingested into KidStar. This file is known as the ICD 1310A within KidStar. A copy of this file is archived after transmission to SCO.

Table 3-6 Procedure 2.1-5 Send Disbursement Instruction File to SCO

STEP	PROCEDURE 2.1-5 SEND DINT TO SCO
1	Check Job Log for Export of ICD 1310A (DINT). The technical operator logs into KidStar Job Management to verify that the ICD processed timely and without errors.
2	Escalation Process: Follow escalation work instruction if an error occurred.

3.4 Allowing State Staff to Perform Exception Processing

KidStar's Online Stop, Void & Delete system will allow authorized State and LCSA staff to:

- Delete a Disbursement that has been printed as a check or designated to be transmitted to the bank as an ACH transaction. This must be submitted prior to the Delete Cutoff time of 11:00 AM Pacific. (See Section 3.5)
- Void a Check that has been printed but not mailed (See Section 4.3)
- Place a Stop Payment on a Check that has been mailed (See Section 4.4)

Any DCSS and LCSA users that have been granted the authority to do so will be able to: access the KidStar Disbursement Delete application to request that a disbursement be deleted; access the KidStar Disbursement Stop application to request that a disbursement be stopped; or contact a CA SDU manager to request that a physical check in hand be pulled and voided. [SR3.4.15]

The ability to submit a stop is only limited by the processing stream. Stop requests submitted before 4:30 P.M. Pacific Time will be processed the same day through the automated interactions with the banking centers. Stops submitted after 4:30 P.M. Pacific Time will be included in the next transmission to the bank.

Check voids are completed by the check print operator when the check is in hand and can be physically marked as void, and then scanned following the void processing procedures. If a check is in hand at DCSS, a copy of the check can be faxed to allow the processing and status changed to VOID to occur the same business day. When the physical check is received by the CA SDU, it will be matched with the previously processed image for final confirmation and reconciliation.

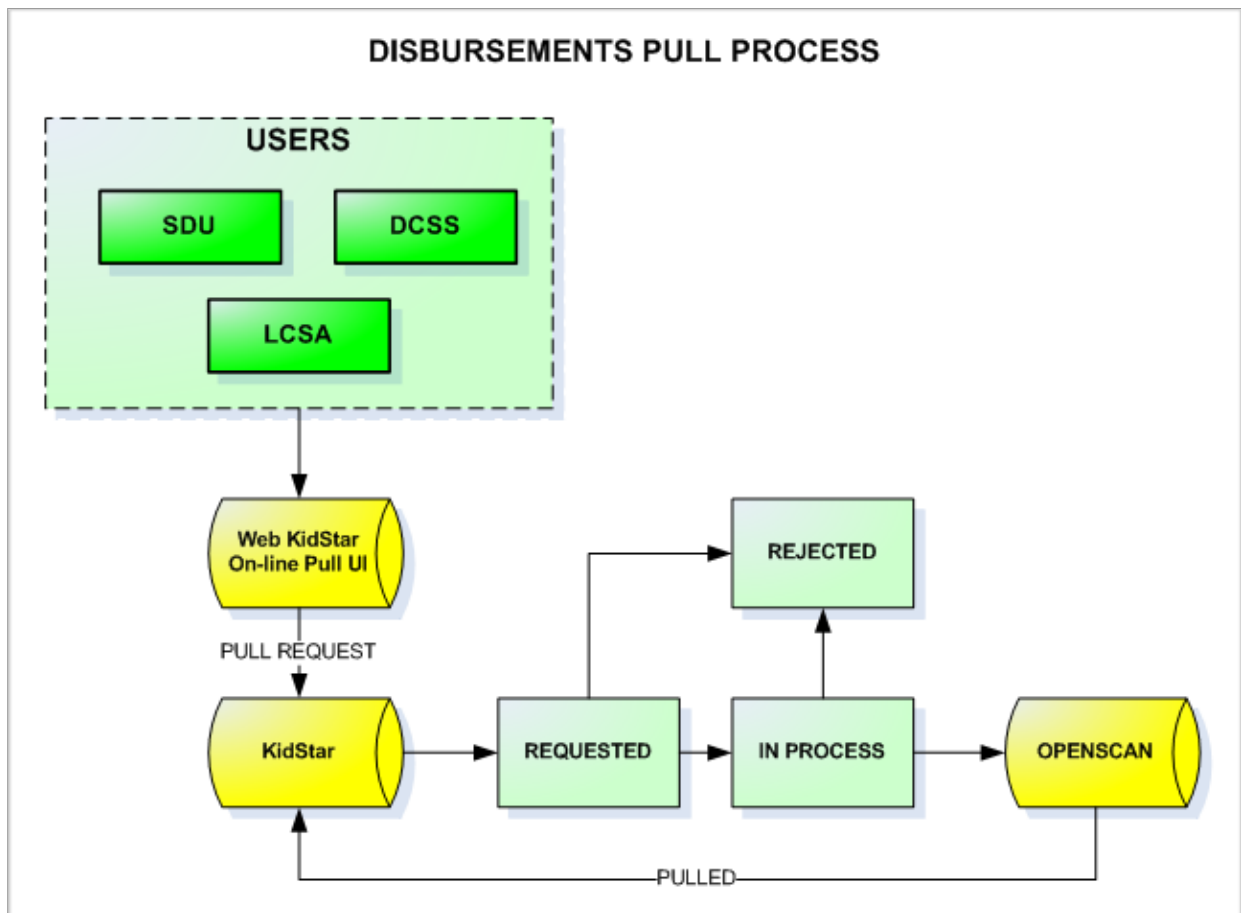


Figure 3-2 Disbursement Pull (Delete) Process

3.5 Entering Disbursement Deletes in KidStar (DCSS, LCSA)

The KidStar Disbursement Delete application is available between the hours of 8:00 A.M. Pacific Time and 11:00 A.M. Pacific Time each business day. As soon as the DINT File has been loaded, the check number and check amount information will be available and can be obtained by searching through the Customer Service Disbursement query application. Once that information is available, the disbursement delete can be requested, even if that request occurs before 8:00 A.M. Pacific Time. Any requests that need to be made after 11:00 A.M. Pacific Time must follow the Pull process. [SR3.4.32]


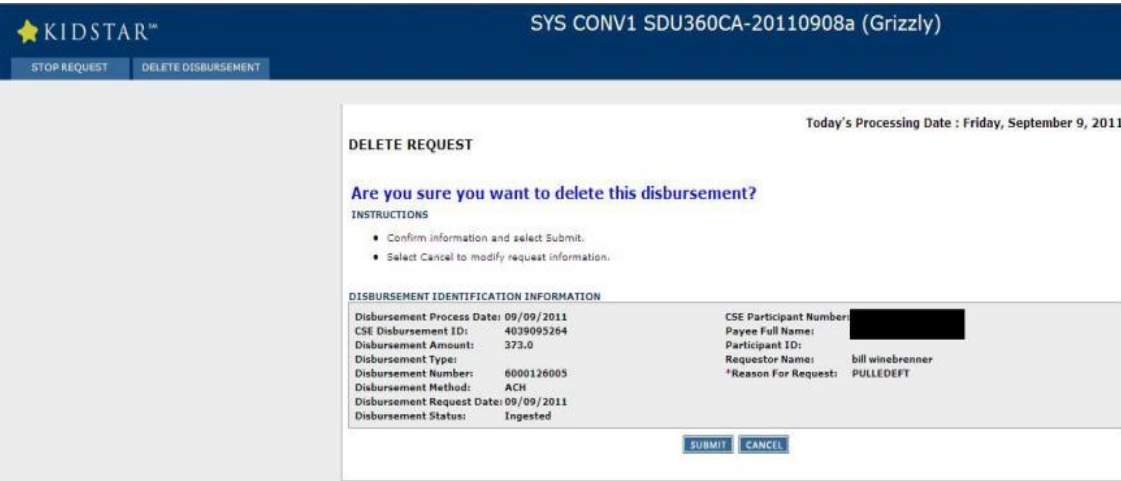

When requesting a deletion of a disbursement, the KidStar online Disbursement Delete application requests information, including the CSE Disbursement ID, amount, and payee name that can be used to identify the disbursement to be deleted. When processing the original DINT File, check instructions that contains multiple records will be assigned only one check number regardless of the number of records included, therefore a delete can only be requested on the total check, rather than on an individual disbursement record. [SR3.4.16]

Table 3-7 Disbursement Record Standards

METHOD	TEMPLATE/FORMAT	DISBURSEMENT INFORMATION Record (DIR)	DISBURSEMENT REMITTANCE RECORD (DRR)	OBLIGEE INFORMATION Record (OIR)
CHK	ALL except 005	1 Check Disbursement Per DIR	1 or more DRR per Disbursement Information (DIR); 1 Disb Stub Detail per DRR 1 line on check stub per Disb Stub Detail	0 OIR per DRR
CHK	005	1 Check Disbursement Per DIR	1 DIR may have multiple DRR 1 Disb Stub Detail per DRR 2 lines on check stub per Disb Stub Detail	1 OIR per DRR
EPC		1 EDISB Disbursement Per DIR	1 DRR per DIR; 1 Disb Stub Detail per DRR	0 OIR per DRR
ACH	PPD	1 EFT Disbursement Per DIR	1 DRR per DIR; 1 Disb Stub Detail per DRR	0 OIR per DRR
ACH	CCD	1 EFT Disbursement Per DIR	1 DRR per DIR; 1 Disb Stub Detail per DRR	0 OIR per DRR

Table 3-8 Procedure 2.1-10 Entering Disbursement Deletes in KidStar

STEP	PROCEDURE 2.1-10 ENTER DISBURSEMENT DELETES IN KIDSTAR
1	<p>Enter the CSE Disbursement ID and Amount. Disbursement Method, CSE Participant number and Payee Full Name are available as search criteria. Delete Requests can only be from current day's DINT File.</p> 

STEP	PROCEDURE 2.1-10 ENTER DISBURSEMENT DELETES IN KIDSTAR
2	<p>Validate the information produced by the search and select the hyperlink in the CSE DISB ID field.</p> 
3	<p>Select the Submit button.</p> 
4	<p>To print the Delete Request, select the Print button.</p> 
5	<p>Confirm Request Status through search function</p>

3.6 Process Disbursement Delete Requests (SDU)

The KidStar Delete Disbursement application is the only method available to delete disbursement transactions from the processing stream. Access to this application is available only to authorized users, and is controlled through KidStar System Administration Roles and Permissions. Security procedures are explicitly followed during user role and permission assignment. Disbursements are deleted only if an authorized DCSS or LCSA worker has completed a delete request instructing the CA SDU to do so. [SR3.4.17]

If a user needs/wants to submit a request to pull or void a check outside of the approved hours, the user is required to notify the CA SDU disbursement manager by email of this request and provide the Disbursement ID, Payee Name, Participant Number and Dollar Amount of item to be pulled. This process is described in section 4.3.

Table 3-9 Procedure 2.1-15 Process Disbursement Delete Requests

STEP	PROCEDURE 2.1-15 PROCESS DISBURSEMENT DELETE REQUESTS
1	Generate Request Forms: Access KidStar Disbursement Delete application and print all Delete Requests for Scanning and Processing. Deliver to Scan Room Supervisor to Scan Requests on the OPEX
2	Post all disbursements in KidStar by running the Disbursement Posting Job in KidStar Job Management function.
3	When Disbursement Posting Job has successfully completed scan Delete Requests on OPEX.
4	Process Requests: Access Open Key queue to process the requests.
5	Import File: Access KidStar Job Management to import the file.
6	Generate and Balance Reports: Generate the Dynamic Reporter Summary Report and the KidStar Delete Report and confirm that count and amount are in balance.

3.7 Export Check Status File to OPEN SCAN

OPEN SCAN provides the software engines that interface with the OPEX® mail opening and scanning devices to capture, process, and data perfect each disbursement delete request received. Following the delete deadline, all the disbursements are posted to KidStar by running the Disbursement Posting Job in KidStar Job Management. Once completed KidStar exports the Outstanding Disbursement File (ICD 2405) to OPEN SCAN. This file is used by OPEN SCAN as the validation for the scanning the returned and deleted disbursement images. OPEN SCAN then sends back to KidStar the processed returned and deleted data and images to KidStar (ICD 2320).

Table 3-10 Procedure 2.1-20 Export Check Status File to OPEN SCAN

STEP	PROCEDURE 2.1-20 EXPORT CHECK STATUS FILE TO OPEN SCAN
1	Check Job Log for Export of ICD 2405 Outstanding Disbursement File. The technical operator logs into KidStar Job Management to verify that the ICD processed timely and without errors.
2	Check Job Log for Ingest of ICD 2320 RSVP Disbursement Adjustment File.
3	Escalation Process: Follow escalation work instruction if an error occurred in either process.

3.8 Print and Insert Checks

The disbursement files generated by the CA SDU from the CSE DINT File provide the information required to produce paper check disbursements, electronic deposits to custodial party checking or savings accounts, and electronic deposits to a custodial party's EPC. Paper checks are printed

within the secure CA SDU facility using Xerox printing equipment and Pitney Bowes inserting equipment.

All scheduled tasks related to generating the disbursement files are found within KidStar Receipting, Jasper Reports, and Quartz Job Management modules.

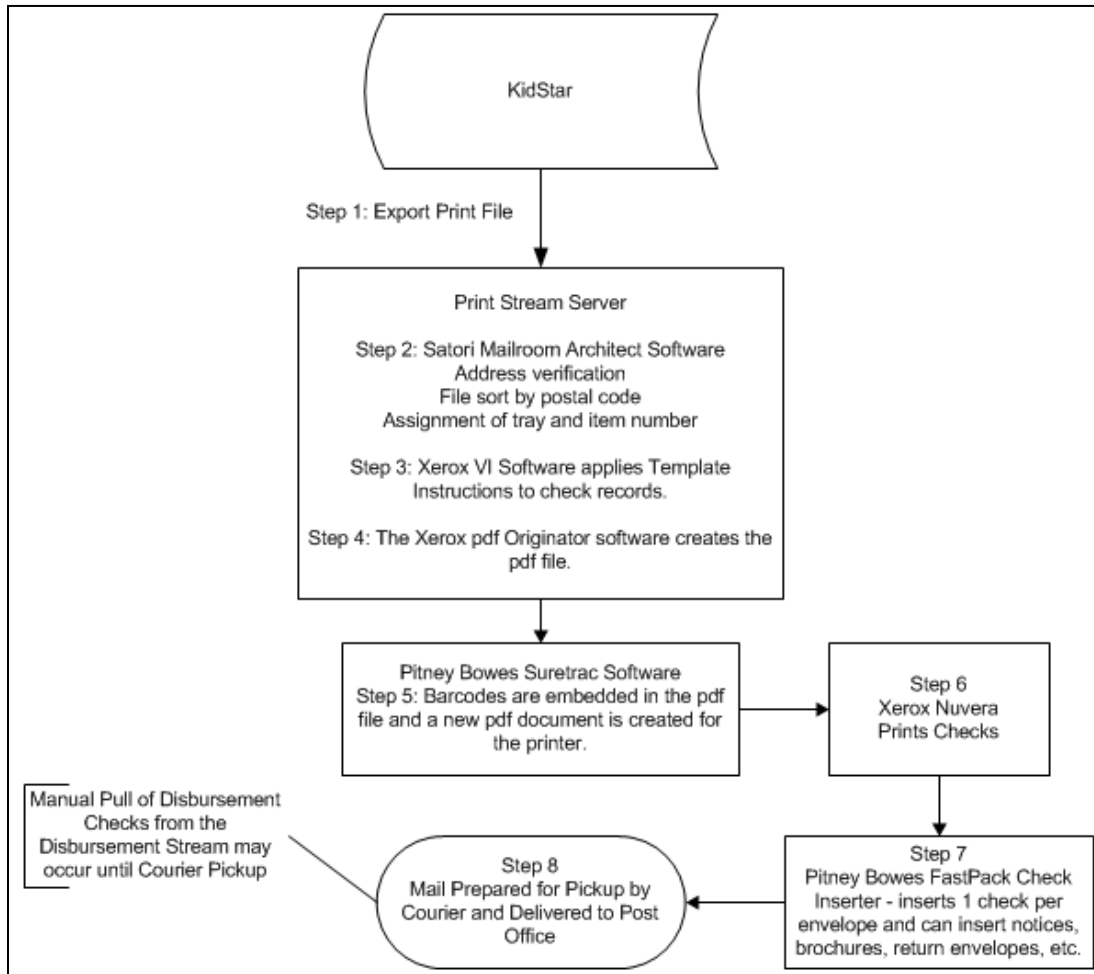


Figure 3-3 Print and Insert Checks

- **Step 1** - Export the Print File from KidStar: A Print File is generated in KidStar and exported to the Print Stream server.
- **Step 2** - The Satori® Software located on the print stream server performs address verification of all the check records and sorts the file by postal code to assign a tray number and item number within the tray.
- **Step 3** - The template indicators included in the disbursement instructions are read and applied to each check record by Xerox VI software. Checks are printed in zip code order using

14 different templates as identified in the CSE DINT File. All templates are formatted for inserting into a windowed envelope.

Table 3-11 Check Templates

CODE	DESCRIPTION
001	Child Support Payment
002	Replacement Check
003	3 rd Party Disbursement
004	3 rd Party Replacement Disbursement
005	Interstate Disbursement
006	Accounts Paid In Full, Closed Case
007	CP Overpayment of Receivable
008	No Record of Account; Misdirect
009	Non IV-D, Direct/Personal Payment
010	Non IV-D, Undeliverable Payments or Stale
011	IV-D, Undeliverable Payments or Stale
012	IV-D, Tax Intercept Refund
013	IV-D Overpayment, Ineligible
014	Other Reason

- **Step 4** - The PDF files are created based on the templates identified in Step 3.
- **Step 5** - Pitney Bowes Suretrac Software reads all the PDF files and creates and embeds barcodes into each check.
- **Step 6** - The checks are printed on the Xerox Nuvera printer(s). If there are more than 10,000 checks to be printed, the file is split between the two printers to expedite the process. All checks are printed on the same blank, serial numbered check stock (a sequential control/serial number is printed on the back side of each check).



Figure 3-4 Xerox Nuvera 100 Printer

- **Step 7** - The Pitney Bowes inserter folds the checks, inserts them into windowed envelopes and seals them.



Figure 3-5 Pitney Bowes Inserter DI950

- **Step 8** - The sealed envelopes are placed into labeled USPS mail trays and secured for the courier to pick up. All checks awaiting pickup by the bonded courier are stored within the secure storage room inside the printing room. Entry to the secure storage room, as well as the print room, is by authorized access (proximity badge or proximity badge and biometric reader). Upon removing or placing check stock into the secured storage area an inventory log is maintained and employee signature is recorded on inventory log.

Table 3-12 Procedure 2.1-25 Print and Insert Checks

STEP	PROCEDURE 2.1-25 PRINT AND INSERT CHECKS
1	Export Check File: The operator logs into KidStar, and ensures that the correct date is set..
2	Print Registers, Reports, and Tray Tags: The operator prints the supporting files generated by Satori.
3	Print Checks: The operator reviews the PDF Check File to determine the number of checks to be printed (based on the number of pages in the file) and retrieves a sufficient quantity of check stock from the secure storage room.
4	Log Check Numbers: The starting and ending serial numbers are recorded on the check inventory log as well as the starting and ending check numbers in the PDF File.
5	Load Printers: The check print operator determines whether or not the file is to be split between the two Nuvera 100 MX check printers. The check stock is then loaded into the feeder tray(s).
6	Release File(s): When more than 10,000 checks need to be printed, there will be multiple check sub-files in the queue. The check print operator releases the Check Files from the queue in sequential order.
8	Verify Print Operation: Upon completion of the check printing, the check print operator verifies the starting and ending check numbers of the printed checks matches the numbers recorded on the log.
9	Perform QA: The check print operator notes the print quality as checks are printed and ensures that checks are legible and do not smudge. Any checks that are damaged or illegible are punched VOID and stored with the daily reconciliation logs, until scheduled for secure destruction. They are recorded in the check log, void log, and disbursements print log and reconciled to the total checks mailed and total stock used.
10	Secure Blank Check Stock: Any extra check stock is returned to the Secure Inventory Room and the return is recorded on the log.
11	Load Inserter: The checks are then loaded in the Pitney Bowes inserter for insertion into windowed envelopes for mailing.
12	Meter Foreign Mail: Out sorted mail pieces are delivered to postage metering for manual processing
13	Reprint Damaged Checks: The Inserter System retains data about any mail pieces that are damaged and require reprinting. Upon completion of the job, the operator prints the Regeneration List. Any checks listed are selected for reprinting and cycle through the check print Flow for processing.

3.9 Security Policies

To ensure security and confidentiality in the Disbursements Department, the following policies are enforced by the disbursements processing manager.

- Employees do not bring any personal belongings, such as briefcases, purses, lunch bags, coats, or documents into the processing area. Individual lockers are provided outside of the print room for storage of personal items.
- No materials of any kind are removed from the work area and any misprinted or damaged materials are disposed of in confidential shred bins.
- No food or beverage is brought into the check processing area. Eating or drinking is only permitted in the lunchroom or break room.
- The check printing area door is equipped with a magnetic card reader ensuring that only authorized employees have access. Authorized personnel use their issued security card, an HID (35 Bit) proximity card to gain access to the area.
- Access rights are only granted to users based on their job titles.
- If a user does not have access to an area within the CA SDU, the card access system will prevent that user from automatically gaining access to that area.
- Employees may not piggyback into an area by following an employee into the area without properly being granted access by scanning their access cards.
- Check stock is secured at all times in a separate storage area which requires both the proximity card and biometric reader access (fingerprint scan) to enter.
- Check stock inventory numbers are consecutive from day to day and any missing numbers are accounted for. If there is any break in the numbering, the disbursements processing manager notifies the Contract Manager of the discrepancy. An investigation is initiated to determine the location of the missing stock.
- Closed circuit television (CCTV) color surveillance cameras are strategically located throughout the CA SDU to record a bird's eye view of daily processing actions. The images from the cameras are computer files and are maintained for 30 calendar days. These files can be viewed by IT, management or QA personnel.

In addition to these security policies, the disbursements processing manager completes end of day activities such as disposing of confidential documents and securing unlocked storage areas.

3.9.1 Quality Assurance

All printed materials go through a QA process to ensure placement, image, and insertion meet defined standards. The check print operator visually reviews a random sample of checks during and after the printing process to verify the quality of the printed images.

It is important that checks are accurate, of high quality, addressed and sorted correctly. Check printing operations are monitored randomly throughout the print run and again at the end of the run to ensure that the checks meet the following quality assurance requirements:

- Correct number of checks is printed daily
- Checks are for the correct amount and are addressed correctly
- Checks are sealed correctly
- Regular checks are delivered to the USPS at the designated time on the same day the data files were received from the CSE

To further ensure quality, the check print and mail manager:

- Reviews and reconciles all logs and reports generated daily by the check print operator to verify that all check printing and electronic disbursement activities meet contract requirements.
- Compares the Daily Check Production Log with the KidStar Daily Disbursements Summary Report to verify that the totals match

3.9.2 Providing a Remittance Advice with Each Check

The financial instrument is printed on the bottom third of the blank check stock with magnetic ink and the upper two thirds of the stock is printed with a barcode and the actual remittance advice based on the template identified in the DINT File for the particular check. The printed checks are folded and inserted into a windowed envelope. [SR3.4.20]

A unique identifying number is printed just above the recipient's address information, but within the window area, allowing the staff to provide a final verification and count of the checks to be mailed.

As the check runs through the Pitney Bowes inserter, the disbursement barcode is read and interpreted by the Pitney Bowes software. This read is used to reconcile at the end of the day and ensure that all items printed have been inserted.

3.10 Transmitting EFT (Direct Deposit) and ACH (EPC) Disbursements

The DINT File contains all disbursements, including both check and electronic types. Electronic disbursement records are either bank direct deposit (DD) or electronic payment card (EPC). As described in earlier sections of this document, the DINT file records for each processing day are received and processed into KidStar's Disbursement Workspace.

As records are initially processed, they are assigned a unique disbursements number that identifies each record according to paper-based printed, bank direct deposit or EPC electronic disbursements types. Once a number of intraday processing steps are completed, KidStar originates a number of outbound files processes that includes the electronic Disbursements Data File (ICD 1377) to Wells Fargo Bank. This file contains both the Direct Deposit and Electronic Payment Card disbursements, and the automated job begins to generate and transmit this file at 2:30 PM Pacific Time on business days. Wells Fargo has an absolute cutoff time of 6:00 PM Pacific Time for receiving this file in the event that the automated job fails for some reason.

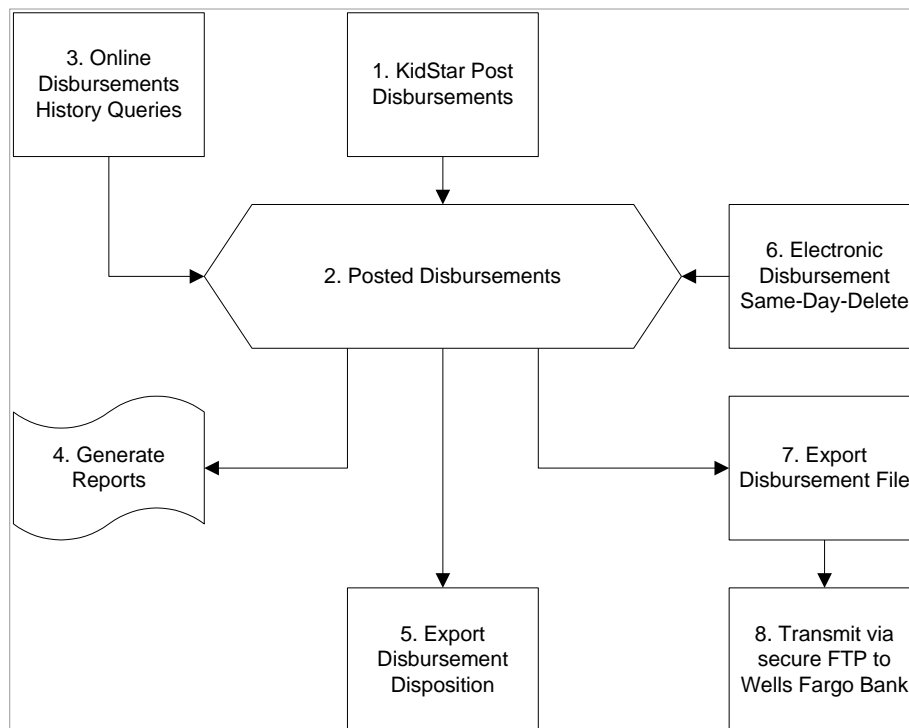


Figure 3-6 Electronic Disbursement Workflow

Figure 3-6 portrays the following steps:

1. KS post disbursements
2. Posted disbursements
3. Online Disbursements (History) Query Function
4. Generate reports
5. Generate and transmit Disbursements Disposition Data File
6. Disbursements delete function
7. Generate KS electronic Disbursement Data File (1377)
8. Transmit 1377 via Secure File Transfer Protocol (SFTP) to Wells Fargo Bank

Table 3-13 ACH Standard Entry Class Codes

CODE	DESCRIPTION *	ADDENDA
CCD	Corporate credit or debit. Used to disburse or consolidate funds. Entries are usually high-dollar, low-volume, and time-critical, settling in 24 hours. If an addenda record is included, it usually contains invoice data in a format designed for Electronic Data Interchange (EDI).	Optional
PPD	Prearranged payment and deposit entries. Used for debit and credit entries authorized by a consumer account holder, and usually initiated by a company. These are usually recurring credits (such as payroll) or debits (such as insurance premiums).	Optional
	* From Wells Fargo ACH Quick Reference	

Each direct deposit record contains the bank account type, ACH record format indicator, routing number, and bank account number. Electronic disbursements originated by KidStar are presented in a standard NACHA format that includes corporate credit or debit (CCD+) and prearranged payment and deposit (PPD). The electronic Disbursement File is sent to the Xerox-owned bank account at Wells Fargo. Disbursement transactions flow through KidStar to the electronic Disbursement File, however any transactions that have a valid delete request submitted through the online Disbursement Delete interface will not be included in the final electronic Disbursement File.

Electronic disbursements that were included in the DINT File, but will not be included in the electronic Disbursement File, will be included in one of the Disbursement Response files. DCSS and LCSA staff has access to the KidStar Disbursement Delete Workspace to generate requests to delete both paper and electronic disbursements that are included in the current business day's Disbursement File. The cutoff time for submitting delete requests is 11:00 A.M. Pacific Time each business day.

After the Disbursement Delete Workspace cutoff time, the requests are processed by the check print and mail staff prior to completing the check printing and electronic Disbursement File generation. DCSS staff can submit a Pull request to the Disbursement Manager to have the print room staff pull the printed item. Further explanation of the delete process is included in Section 3.6.

A KidStar report (RCD 418 Draft Analysis) is generated identifying the count and amount of all electronic transactions included in the electronic Disbursement File. The count and amount are reconciled with the bank through their online banking module.

3.10.1 Processing EFT/EDI, Direct Deposit and EPC Transactions

As KidStar processes the DINT File, the records within the file are identified by the type of disbursement, whether it is to be a:

- Paper check
- Direct deposit into a participant bank account
- EFT/EDI transaction to an interstate agency
- Electronic transaction to an EPC

Interstate agency disbursements are formatted as PPD or CCD+ according to the preference of the agency. Participant disbursements are formatted as PPD ACH transactions. All disbursement transactions are formatted to conform to the requirement of the NACHA User Guide for Electronic Child Support payments (Version 6.1 10/9/07). [SR3.2.1]

3.10.2 Transmitting Interstate Collections and Remittance Data to Other States

The CA SDU will support disbursement processing with the other state child support programs to ensure that the format used to transmit collections and corresponding remittance data for each state is the one requested by that other state agency and that it follows the prescribed NACHA formats as presented in the NACHA User Guide for Electronic Child Support payments (Version 6.1, 10/9/07). [SR3.2.2]

3.10.3 Transmitting electronic Disbursements to Other Countries

The CA SDU will work with DCSS to transmit electronic disbursements to foreign countries, and will work with domestic or foreign agencies, as instructed by DCSS, to accomplish the disbursement. Payments will be transmitted in accordance with NACHA User Guide for Electronic Child Support payments or with any other agreed upon international electronic payment process. Typically, funds will be transmitted in US dollars in the PPD or CCD+ format. The type of transmission is identified in KidStar and the file is generated containing the appropriate file header record, batch header record, entry detail record, addenda record, batch control record and file control record. [SR3.2.3]

3.10.4 Transmitting electronic Disbursements

All electronic disbursements will be processed the same day the disbursement instructions are available for processing. The DINT File is reconciled to the DREJ (ICD 1315B), DDET (ICD 1315C), and DORI (ICD 1315A) files to ensure that all disbursement transactions have been processed. [SR7.1.6]

Table 3-14 Procedure 2.1-30 Send electronic Disbursements to Wells Fargo Bank

STEP	PROCEDURES 2.1-30 SEND ELECTRONIC DISBURSEMENTS TO WELLS FARGO BANK
1	Export Files: The electronic disbursement files are automatically exported from KidStar at approximately 3:00 P.M. each business day. The delay in exporting these files is to allow DCSS and LCSA's the opportunity to request deletes of electronic transactions. After the delete and void window is closed, the exporting of these files occurs.
2	Print Reports: The operator confirms that the export was successful and then prints reports detailing daily electronic disbursements.
3	Confirmation at Bank: The California SDU Systems Staff confirms through the bank's online access that the electronic disbursement transfer was accurate and successful.

3.10.5 Initiating EPC and ACH Reversals

On rare occasions, the CA SDU may be required to initiate an EPC or ACH reversal to pull a payment that was included in the electronic Disbursements File in error. Upon receiving the request from DCSS, an electronic disbursement reversal request is sent to Wells Fargo using the online CEO (Commercial Electronic Office) application. The CEO system applies a provisional credit to CA SDU's account after the reversal request is processed through CEO. [SR3.2.7]. Once credit has remained in the EPC/ACH Returns account for five business days a disbursement adjustment is performed within the KidStar workspace. The reversal process is done in accordance with NACHA rules. [SR3.3.36]

The designated DCSS staff completes and sends the ACH/EPC Reversal request form via e-mail to request the reversal of an EPC or ACH disbursement. The request is sent to the CA SDU accounting/reconciliation staff via email at any time after the origination but no later than 10:00 AM Pacific Time by the 4th day after the origination of the EPC/ACH disbursement.

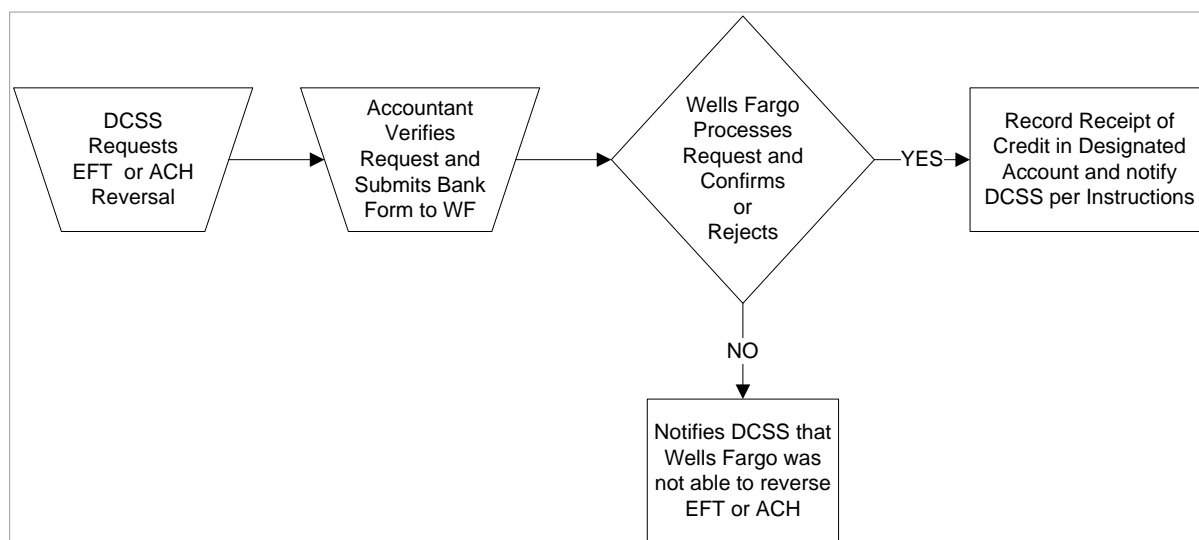


Figure 3-7 Initiating EPC or ACH Reversals Workflow

Table 3-15 Procedure 2.1-31 Initiating EPC or ACH Reversals

STEP	PROCEDURE 2.1-31 INITIATING EPC OR ACH REVERSALS																																
1	Receive Request: The designated DCSS staff completes and sends the template request for the reversal of an EPC or ACH disbursement. The request is sent to the CA SDU via email any time after the origination but, no later than 10:00 AM Pacific Time by the 4th day after the origination of the EFT/ACH disbursement or any time prior to that.																																
	<table><tr><th colspan="2">ACH/EPC REVERSAL REQUEST ACH OUTGOING DISBURSEMENT REVERSAL</th></tr><tr><td>Company Name</td><td>CASDU</td></tr><tr><td> </td><td> </td></tr><tr><td>Company Account Number</td><td>xxxxxx5147</td></tr><tr><td> </td><td> </td></tr><tr><td>Requested by (CCSAS Business Solutions Staff only):</td><td> </td></tr><tr><td> </td><td> </td></tr><tr><td>Request Date</td><td> </td></tr><tr><td> </td><td> </td></tr><tr><td>Payee Name</td><td> </td></tr><tr><td> </td><td> </td></tr><tr><td>ACH Amount</td><td> </td></tr><tr><td> </td><td> </td></tr><tr><td>Initiation Date</td><td> </td></tr><tr><td> </td><td> </td></tr><tr><td>Effective Date</td><td> </td></tr></table>	ACH/EPC REVERSAL REQUEST ACH OUTGOING DISBURSEMENT REVERSAL		Company Name	CASDU			Company Account Number	xxxxxx5147			Requested by (CCSAS Business Solutions Staff only):				Request Date				Payee Name				ACH Amount				Initiation Date				Effective Date	
	ACH/EPC REVERSAL REQUEST ACH OUTGOING DISBURSEMENT REVERSAL																																
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	ACH Amount																																
Initiation Date																																	
Effective Date																																	

STEP	PROCEDURE 2.1-31 INITIATING EPC OR ACH REVERSALS										
	<table border="1"> <tr> <td>Disbursement Check #</td><td></td></tr> <tr> <td>Account Number / R/T Number</td><td></td></tr> <tr> <td>Reason</td><td></td></tr> <tr> <td>Reversal Processed by (Xerox Staff)</td><td></td></tr> <tr> <td>Reversal Processed Date</td><td></td></tr> </table> <p>Note: The information to complete this template is available in KidStar. The Disbursement Check # is a generic disbursement identifier number, not limited to checks, per se.</p>	Disbursement Check #		Account Number / R/T Number		Reason		Reversal Processed by (Xerox Staff)		Reversal Processed Date	
Disbursement Check #											
Account Number / R/T Number											
Reason											
Reversal Processed by (Xerox Staff)											
Reversal Processed Date											
2	CASDU Accounting/Reconciliation Review: The accounting/reconciliation staff verifies the request is submitted by an authorized representative of DCSS and contains the information necessary to submit the request to the bank										
3	Accounting/reconciliation Research: The accounting/reconciliation staff locates the disbursement information in KidStar and verifies the date and payee information, and then captures the banking information (acct type, routing number, account number).										
4	The accounting/reconciliation staff submits the request to Wells Fargo: The accounting/reconciliation staff completes the bank ACH Deletes & Reversals online via Wells Fargo's online business portal (CEO).										
5	Bank Acknowledgement/Response: A confirmation is returned upon completion of the entry into the online business portal (CEO).										
6	Process Credit: If the reversal was processed, credit will occur into EPC/ACH Returns Account. CASDU accounting/Reconciliation staff notifies DCSS that a credit has been received and credit will be monitored for five business days prior to performing a disbursement adjustment in the KidStar workspace.										

As with an ACH direct deposit transaction, an EPC disbursement can be reversed as per Step 1 in Table 3-15. The reversal must be made no later than 10:00 AM Pacific Time of the 4th business day following the origination of the ACH transaction. The reversal can only be completed if funds are available in the account to cover the reversal. If sufficient funds are not available, the reversal will not take place.

The CA SDU believes that DCSS business rules should govern when it is appropriate to reverse a disbursement to an EPC card. It should be noted that EPC cardholders have broad discretion to dispute any negative transaction taken against their account. The justification for the reversal should be clear, understandable and directly linked to an error in the original disbursement that is being reversed. In the event a CA EPC cardholder disputes the reversal, DCSS will need to send a written explanation to the CA SDU as this document will be forwarded to EPPIC to become part of the disputed transaction file.

Figure 3-8 Wells Fargo Requirements

STEP	WELLS FARGO REQUIREMENTS
1	<p>IMPORTANT: WELLS FARGO REQUIREMENTS</p> <p>DELETES: The reversal is processed by Wells Fargo as a Delete Request if the item has NOT been distributed to the ACH operator. Delete requests and the corresponding origination file must be received before 3:00 P.M. CT (1:00 P.M. Pacific Time) on either the day the origination file was submitted or two business days prior to the posting date of the item (whichever is later). If the delete request is received after the deadline, Wells Fargo will process the delete as a reversal. If processed as a reversal, it is the responsibility of the originator (your company) to notify the receiver of</p>

STEP	WELLS FARGO REQUIREMENTS
	the reversal, including the reason for the reversal, no later than the settlement date of the reversing entry. Reversals are not guaranteed.
2	REVERSALS: Reversal requests must be received before 3:00 P.M. CT (1:00 P.M. Pacific Time) by the fourth business day after the item's original posting date. It is the responsibility of the originator (your company) to notify the receiver of the reversal, including the reason for the reversal, no later than the settlement date of the reversing entry. Reversals are not guaranteed. If a reversal is returned, it is the responsibility of the originator (your company) to work directly with the receiver to resolve any outstanding issues

3.10.6 Funding EPC Cards

Deposits to cardholder accounts are created on a daily basis when the CA SDU creates the ACH Credit Origination File (ICD 1377, described in Section 3.10 of this document) derived as per instructions from the DCSS Disbursement (DINT) File, with rejected and deleted disbursements removed. The ACH File is transmitted to Wells Fargo which in turn funds all deposits and transmits the account loading file to EPPIC/GO which applies the file to the accountholder database. All file transmissions use secure encryption protocols to ensure a wholly secure environment. The financial settlement of funds occurs automatically at Wells Fargo Bank according to prescribed NACHA Rules. Funding is based on the settlement amount, data accompanying each payment batch, and the effective date of each cardholder's payment. Once the file is settled through the banking network and drawn down from Wells Fargo Bank, the file is input into EPPIC/GO for processing. [SR3.3.23]

3.11 Reconcile Daily Disbursement Instructions

At the completion of daily file processing; KidStar produces a daily Disbursement Disposition File that includes all the disbursement activity for the current disbursement processing date. Prior to transmission, KidStar balances the total output of the day's disbursement process to the original instructions (e.g., checks issued + ACH/EDC disbursements + interstate EFT/EDI disbursements + deletes = the total original Instruction File). At transmission, a series of reports are generated to validate what was transmitted to CSE matched what was received in disbursement instructions that day. Table 3-16 provides the steps to reconcile daily KidStar disbursements to the disbursement instructions received from CSE. [SR3.4.10]

Table 3-16 Procedure 2.1-35 Reconciliation Against CSE Daily Disbursement Instructions

STEP	RECONCILIATION AGAINST CSE DAILY DISBURSEMENT INSTRUCTIONS
1	Display the Disbursement Balancing Report for the current processing day.
2	Confirm that the count and amount of all records in the DINT File for the processing day reconciles to the count and amount of all records in the DORI, DREJ, and DDEL files. The formula for reconciling these records is $DORI + DREJ + DDEL = DINT$.
3	If there is a discrepancy compare the individual files with the job logs and resolve differences.
4	Report any discrepancies that can't be resolved to the check print and mail manager immediately for escalation.

KidStar maintains the following data which populates the Disbursement Balancing Report.

Table 3-17 Disbursement Balancing Report Data

FIELD NAME	DESCRIPTION
Process Date	The process date as set in KidStar
Disbursement Method	ACH (CCD+ or PPD), Paper Check, EPC
Count	The number of disbursements
Amount	The amount of the disbursements
Disbursement Status	Status from KidStar <ul style="list-style-type: none"> • DINT=Received in original file • Reject=Record rejected during ingest due to error • Delete=Record deleted through online request process • Disbursed=Paper check was printed
Start Check #	The check number assigned to the first record for that disbursement method.
End Check #	The check number assigned to the last record for that disbursement method.

3.12 Send Disbursement Confirmation (RCD 419) to DCSS

The Disbursement Instructions File (DINT) is fully processed in KidStar in the early morning hours. DINT file processing begins at 3:00 AM and will normally be completed by 4:00 AM or earlier, depending upon the size of the file. [SR3.4.11] When processing is complete, KidStar sends the Disbursement Instructions Report to DCSS. A copy of the DINT file is also sent to SCO at this time. KidStar contains a reports module (Jasper Reports) to allow authorized users to view, print, and export reports on demand. Disbursement reports are generated upon the completion of the DINT File processing as well as upon the completion of specific scheduled events that result in the transmission of files to the CA SDU, Bank, DCSS, SCO, or STO. Disbursement file processing is always sequenced so that all required file production runs are completed by 12:00 noon Pacific Time.

RCD 419 is provided through the Reports module. The report is provided daily, monthly, quarterly, and annually. See Appendix B, RCD 419 for the description and sample. Each report is generated and placed in the Reports File. From there, KidStar exports the report to the secure server site which it can be accessed by designated DCSS finance staff through CSE. The Daily Disbursement Instructions Report must be sent by 12:00 P.M. Pacific Time of the processing day. [SR3.4.12]

3.13 Email Unsigned CSE Disbursement Report (RCD435) to DCSS

As soon as all disbursement instructions have been processed for the day, the RCD 435 report is available for DCSS accounting to pull from KidStar every business day. If access to KidStar reporting is unavailable, the CASDU accounting/reconciliation staff will email an unsigned copy of the RCD435 to the pre-defined distribution list of DCSS recipients upon request. The signed copy of the RCD435 is sent to DCSS by 1:00 PM Pacific time each business day. [SR3.1.6]

Table 3-18 Procedure 2.1-40 Send Disbursement Instructions Report and Unsigned RCD435 to DCSS

STEP	PROCEDURE 2.1-40 SEND RCD 435 TO DCSS
1	Generate RCD 435 Report and send to pre-defined Distribution List at DCSS (as soon as available)

3.14 Mailing Paper Disbursements

The checks pass through the Pitney Bowes Insertion equipment where they are folded, inserted into the envelope, sealed, and stacked in the hopper. As checks are unloaded from the hopper, they are placed in pre-labeled USPS check trays in preparation for mailing. Each check tray is placed in an approved USPS tray sleeve. The check trays are each strapped securely with polypropylene strapping and then placed on a pallet and wrapped in plastic for pick up by the courier. Paper disbursements are mailed the same day that disbursement instructions become available for processing. [SR7.1.5]

Xerox will identify the checks printed to foreign countries. The non-US checks will be separated and a new label with the Disbursement ID and the address from CSE will be created.

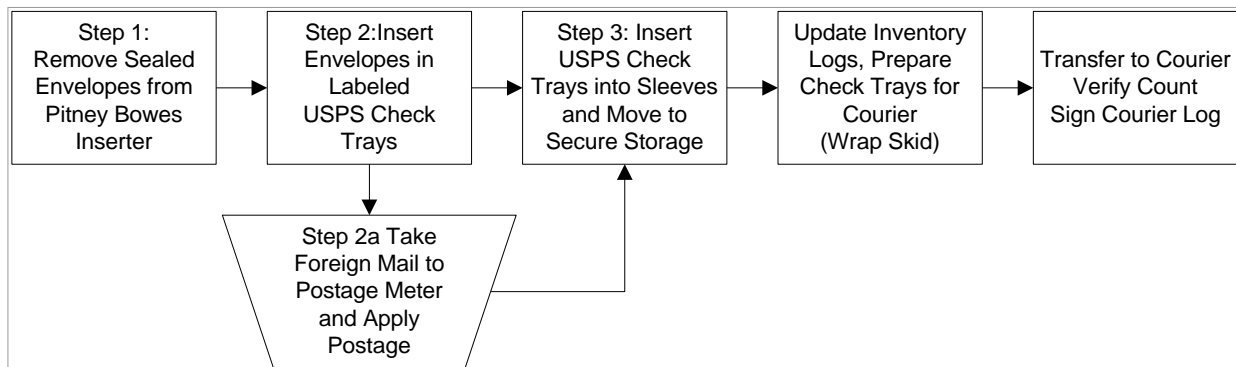


Figure 3-9 Mailing Paper Disbursements

Table 3-19 Procedure 2.1-45 Prepare Checks for Courier

STEP	PROCEDURE 2.1-45 PREPARE CHECKS FOR COURIER
1	As the checks are inserted and sealed by the Pitney Bowes Inserter, the check print operator unloads the sealed envelopes from the hopper and places them in check trays. The contents of each check tray are identified according to the tray tags previously printed and inserted in the plastic sleeve affixed to each tray.
2	To keep contents from escaping, postal rules require that the contents of partial trays must be banded with a rubber band.
3	As each check tray is filled, the tray is placed inside a check sleeve and stacked in numerical order on the rolling check rack.
4	U.S. Funds checks with foreign addresses are sorted to the end of the run during the Check Print File generation process. The check print operator applies postage to these checks separately before placing them in the check tray.
5	As soon as all the checks are loaded into check trays and inserted into sleeves, they are logged and the check rack is placed in the secure storage room pending pickup by the courier.
6	USPS paperwork is prepared that identifies count of items to be mailed by pre-sort zip code, metered dollar amounts, and separate accounting for foreign items.
7	The courier verifies the tray count and signs off on the Daily Outgoing Mail Courier Log. The checks are printed and mailed the same business day that the DINT File was received at the CA SDU.
8	Upon completion of the printing, the check stock inventory is updated and the quantity of check stock used is validated and recorded on the inventory log.

By signing off on the Outgoing Courier Mail Log, the courier is attesting to the number of trays that will be delivered to the Post Office. The courier does not attest to the number of individual

checks that have been picked up and delivered. This information can be calculated from the zip code pre-sort information that accompanies the mail sent to the Post Office, along with a separate accounting for foreign mail. The pre-sort data comes from the Pitney Bowes SureTrak system that maintains control over check numbers used in the daily production runs.

Figure 3-10 displays the Daily Outgoing Mail Courier Log

DAILY OUTGOING MAIL COURIER LOG					
Date	Time	Completed CASS Paperwork ✓	Number of Trays	Clerks Initials	Couriers Initials

Figure 3-10 Daily Outgoing Mail Courier Log

3.15 Maintaining a Disbursement Check Error Log

A complete audit trail of the check stock is maintained. The number of checks to be printed, the check stock control numbers, and any deviation is recorded on a daily basis. KidStar provides a Disbursement Balancing Report that will show the count and sum of checks from CSE, the count and sum of rejects within the file, and the count and sum of deletes. The print software tracks the number of checks printed, damaged, and reprinted and then balanced to the stock number. The two reports are reconciled daily. Any deviation is immediately escalated and investigated following appropriate procedures. Deviations and Resolutions are noted in the Log. [SR6.1.5]

Table 3-20 Procedure 2.1-55 Maintaining a Disbursement Check Error Log

STEP	PROCEDURE 2.1-55 MAINTAIN DISBURSEMENT INVENTORY/CHECK ERROR LOG
1	Open Production Inventory Log
2	Enter Check Stock Usage Information: <ul style="list-style-type: none"> • Number of Checks in File • Number of Printer Voids • Number of Inserter Voids
3	Enter Printer Information: <ul style="list-style-type: none"> • Beginning Check Stock Inventory Number • Ending Check Stock Inventory Number System calculates amount of check stock used and returns a message whether or not the inventory is in balance.
4	Enter Printer Spoilage
5	Enter Courier Pickup Date and Time
6	Report will reflect whether or not the inventory is in balance.

STEP	PROCEDURE 2.1-55 MAINTAIN DISBURSEMENT INVENTORY/CHECK ERROR LOG																				
	<div><div>Daily Inventory Log - Check Error Log</div><div>Thursday, February 24, 2011</div><div><table><tr><th colspan="2">INVENTORY INFORMATION</th><th colspan="2">COMPLETION TIMES</th></tr><tr><td>Job Number</td><td>3022201</td><td>Printer Completion Date</td><td>24-Feb-11</td></tr><tr><td># of Checks Printed</td><td>29232</td><td>Printer Completion Time</td><td>12:17 PM</td></tr><tr><td>Printer Spoilage</td><td>11</td><td>Inserter Completion Date</td><td>24-Feb-11</td></tr><tr><td>Inserter Spoilage</td><td>10</td><td>Inserter Completion Time</td><td>1:15 PM</td></tr></table><div><div>DELIVERY TIME</div><div>Courier Pickup Date24-Feb-11</div><div>Courier Pickup Time3:55 PM</div></div></div><div>INVENTORY HAS BALANCED</div></div>	INVENTORY INFORMATION		COMPLETION TIMES		Job Number	3022201	Printer Completion Date	24-Feb-11	# of Checks Printed	29232	Printer Completion Time	12:17 PM	Printer Spoilage	11	Inserter Completion Date	24-Feb-11	Inserter Spoilage	10	Inserter Completion Time	1:15 PM
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Printer Spoilage	11	Inserter Completion Date	24-Feb-11																		
Inserter Spoilage	10	Inserter Completion Time	1:15 PM																		

Note: The check error log only identifies the reason for the error as either “printer spoilage” or “insertor spoilage.” The CA SDU’s printers are set up to self-identify an erroneous or failed check print, cancel the print order and perform a reprint that corrects the error. It does not matter what caused the particular problem. What the print room manager monitors is the self-correction process. If the check stock feeder or the ink levels are low, other indicators inform the print room manager/operator of the condition. The same self-diagnosis process occurs with the insertor equipment, leading to the same auto-correction process.

If, for example, a check is mutilated in the insertor, this is recorded by the insertor and reported as insertor spoilage. This incident is captured in the Pitney Bowes SureTrak system. The print room operator then activates a reprint of the destroyed check. The reprinted check will contain the same check number, but will have a new check stock serial number. The SureTrak system reconciles check stock serial number to check number and allows the operator to verify that the damaged check is captured on the Check Error log. The check error log will capture all check items that are damaged by the insertor; but will not distinguish between a mutilation and a misfeed for example.

3.16 Maintaining Print Room Logs

Two logs are utilized in the print room to maintain control over major functions that are performed in the print room environment. These two logs are: the Secure Storage Room Access Log and the Daily Printer Log.

The first of these logs is the Secure Storage Room (Cage) Access Log. All check stock is maintained within a secure storage room inside of the print room. The print room is accessed using the proximity card and the secure storage room within the print room requires both the proximity card and the biometric reader. In addition to these security features, a Secure Storage Room (Cage) Access Log is maintained. This log identifies all individuals that enter the secure storage room and it records all check stock that enters or exits the storage room. [SR6.1.10] The secure storage room is also used to store checks awaiting mailing.

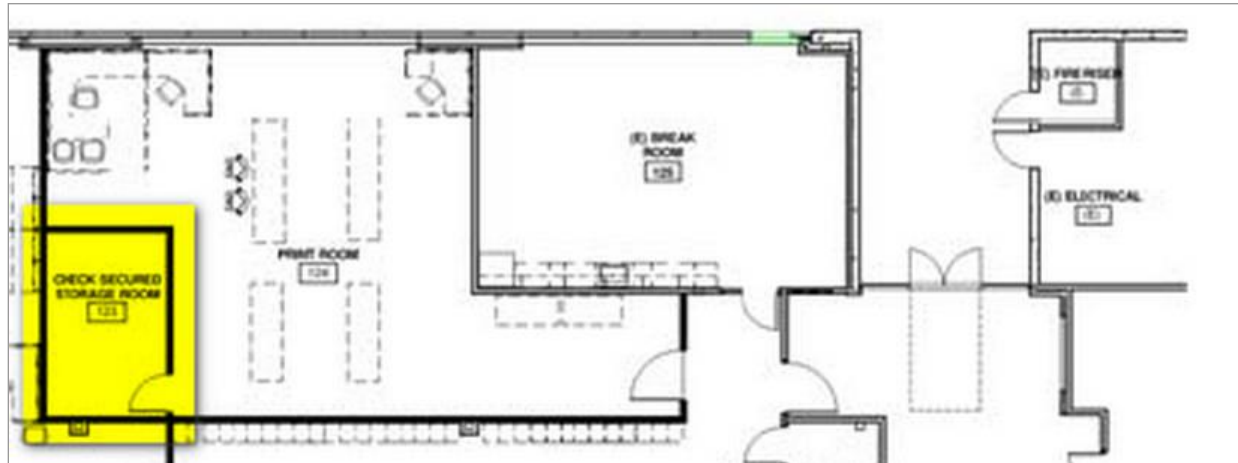


Figure 3-11 Print Room Diagram

Check stock is blank except for security watermarks printed in pale blue on the front and back and a serial number printed in the margin on the back of the stock. The inventory is maintained at a level sufficient to ensure that a minimum of one month of stock is always available.

Table 3-21 Retrieve check stock from the secured check storage area

STEP	RETRIEVE CHECK STOCK FROM SECURED CHECK STORAGE AREA
1	To determine how many checks to retrieve from the Secure Inventory Room, view the PDF Check File to determine the number of checks to be printed.
2	Complete entry into the Secure Storage Access Log, which is kept with the checks in the Secure Inventory Room to determine the next regular inventory number. Ensure checks are retrieved in sequential order.

PRINT ROOM SECURE STORAGE ROOM ACCESS LOG							
Date	Time Opened	Reason for Entry	Initials	Check Stock Retrieval		Time Closed	Initials
				Starting Serial #	Ending Serial #		

The print room also maintains a Daily Printer Log. This log captures the daily print production by stock number ranges and intervals. This log maintains a record of printer activity and also allows the print room supervisor to tie printer production back to check stock withdrawals from the secure storage room. The print room team will know at the end of any print run, how much check stock was used, how much was damaged during the printing/insertion process, and how much stock remained available at the end of the production run. Data from the Daily Printer Log is entered into the print room's inventory control database that tracks on a daily basis the flow of check stock from the secure storage room through the print production process. The final print

run count, plus damaged check stock, plus unused stock, will equal check stock withdrawn from the secure storage area.

Table 3-22 Maintain Daily Printer Log

STEP	MAINTAIN DAILY PRINTER LOG
1	At end of each printer's daily production run, enter data for each printer onto the log
2	Enter daily voids and metered item data
3	Printer operator confirms data and initials log
4	Log is returned to print room supervisor desk
5	<div style="border: 1px solid black; padding: 10px;"> <h3 style="text-align: center;">Daily Printer Log</h3> <p>Date: ____/____/____ Check Date: ____/____/____</p> <p>Number of Checks in File: _____ Filename: _____</p> <p>Printer 1 Inventory Control Balanced: _____</p> <p>Time Complete: _____</p> <p>Ranges of Checks Remaining:</p> <p>Bin 1: _____ - _____</p> <p>Bin 2: _____ - _____</p> <p>Printer 2</p> <p>Time Complete: _____</p> <p>Ranges of Checks Remaining:</p> <p>Bin 1: _____ - _____</p> <p>Bin 2: _____ - _____</p> <p>Void Ranges:</p> <p>_____ - _____ = _____ Checks</p> <p>_____ - _____ = _____ Checks</p> <p>_____ - _____ = _____ Checks</p> <p>_____ - _____ = _____ Checks</p> <p>_____ - _____ = _____ Checks</p> <p>_____ - _____ = _____ Checks</p> <p>_____ - _____ = _____ Checks</p> <p>_____ - _____ = _____ Checks</p> <p>Total Checks Voided: _____</p> <p>Metered Items:</p> <p>Time: _____ Total Metered Items: _____ Clerks Initials: _____</p> <p>Total Items Return: _____ Postage Amount: \$ _____ Clerks Initials: _____</p> </div>

3.17 Send EOD Positive Pay Issuance File to Wells Fargo Bank

The Positive Pay Issuance File (ICD 1375) is generated by KidStar and is scheduled for automatic transmission at 4:30 PM Pacific Time on business days (Wells Fargo can accept the file as late as 6:00 PM Pacific in case there are any system or transmission issues). The file is used by Wells Fargo Bank to enforce positive pay rules. When checks drawn on the CA SDU accounts are presented, the bank verifies that the check number and amount matches the values that are received from KidStar. The file includes any checks issued, voided, stale-dated, or stopped during the processing day.

Table 3-23 Procedure 2.1-70 Send EOD Positive Pay Issuance File to Wells Fargo Bank

STEP	PROCEDURE 2.1-70 Send EOD Positive Pay ISSUANCE FILE TO WELLS FARGO BANK
1	Generate File: The CA SDU technical operator accesses Quartz Job Management in KidStar and kicks off the EOD Positive Pay Issuance Job. Job exports all records that have not been exported to the banks during the process day.
2	Confirm Success: The CA SDU technical operator accesses Quartz Job Monitor in KidStar and confirms that the status of the job is "Success."
3	Escalation Process: Follow escalation work instruction if an error occurs during the process.

3.18 Sending Response Files: DORI, DREJ, DDET, DSTA

KidStar transmits a series of files to the CSE each processing day which provide a complete record of all the updates to disbursement statuses. These files are formatted exactly the same and when reconciled will balance to the DINT File for the same processing day. They are all sent to the CSE by 3:00 P.M. Pacific Time each processing day (as previously noted, the job within KidStar that produces and sends these files begins at 2:30 PM, and it completes by 3:00 PM). [SR3.4.13]

The DIS-002 Disbursement Response Origination File (DORI) contains the final record of all disbursements processed by the CA SDU that business day. The file is sent to both the CSE (known as ICD 1315A) and the SCO (known as ICD 1315E) after end of day processing has been completed. The file contains both the paper disbursements as well as the electronic disbursements. Data on DORI file includes check number for all paper disbursements.

The DIS-006 Disbursement Response Reject File (DREJ, ICD 1315B) includes all transactions from the daily DINT File that were not disbursed because the record was not valid and was rejected. The file is sent to the CSE after end of day processing has been completed. The file contains both paper and electronic disbursements that were not able to be processed.

The DIS-007 Disbursement Response Delete File (DDET, ICD 1315C) includes all transactions from the daily DINT File that were not disbursed because the record was deleted. Records are deleted during the transaction processing day at the request of the CA SDU, DCSS, and LCSA staff through the KidStar online Disbursement Pull module.

The DIS-008 Disbursement Response Status File (DSTA, ICD 1315D) contains the status of all disbursements completed or modified during the day. It contains data from the DORI, DREJ, and DDEL files, but may also include voids and stops that occurred after the other three reports were produced. Additional status updates that affect the DIS-008 are discussed in Section 4. All disbursement statuses are updated within KidStar on the day that the status change is received

[SR3.4.13]. All status updates are identified and described in INT001, Section 3.2.2. The DSTA is sent to CSE as soon as all status update processes have been completed. It may not be exported at the same time as the other Response Files.

Table 3-24 Procedure 2.1-75 Export Response Files to CSE

STEP	PROCEDURE 2.1-75 EXPORT RESPONSE FILES TO CSE
1	Generate File DORI: Quartz Job Management in KidStar generates the ICD 1315A Disbursements Origination File through an automated job that begins at 2:30 PM Pacific Time on business days. The job exports all records based on the disbursement status history and the current disbursement process date. The SDU's IT staff verifies that this file is delivered to CSE on business days and is recorded in its end of day log.
2	Generate File DREJ: Quartz Job Management in KidStar generates the ICD 1315B Disbursement Response Reject File. Through an automated job that begins at 2:30 PM Pacific Time on business days. The job exports all records based on the disbursement status history and the current disbursement process date. The SDU's IT staff verifies that this file is delivered to CSE on business days and is recorded in its end of day log.
3	Generate File DDET: Quartz Job Management in KidStar and runs ICD 1315C Disbursements Origination File. The job exports all records based on the disbursement status history and the current disbursement process date. The SDU's IT staff verifies that this file is delivered to CSE on business days and is recorded in its end of day log.
4	Generate File DSTA: The CA SDU technical operator accesses Quartz Job Management in KidStar generates the ICD 1315D Disbursements Response Status File. The job exports all records based on the disbursement status history. Note that this file is generated at the end of all status update processes and may not be exported at the same time as the other Response Files. Status updates categories are explained in INT001, Section 3.2.2. The SDU's IT staff verifies that this file is delivered to CSE on business days and is recorded in its end of day log.

3.19 Fax CSE Disbursement Report (RCD435) to DCSS

The CASDU accounting/reconciliation team generates and signs RCD435 to be faxed or emailed to the pre-arranged fax number or email distribution list at DCSS. RCD435 is faxed or emailed to DCSS no later than 1:00 P.M. Pacific Time each business day. [SR3.1.6]

Table 3-25 Procedure 2.1-40 Fax RCD 435 to DCSS

STEP	PROCEDURE 2.1-40 FAX/EMAIL RCD 435 TO DCSS
1	Generate RCD 435 Report and send to pre-arranged fax number or email distribution list no later than 1:00 P.M. Pacific Time.

3.20 Data Transmission Procedures

After all checks have been printed and all deletes and voids completed, the end-of-day processing takes place in the check printing room. In addition the IT staff monitors the transmission of electronic disbursement files from KidStar to complete end-of-day disbursement processing. Once end-of-day jobs are complete, the processing date is changed to the next business day and users may continue their research and reconciliation work.

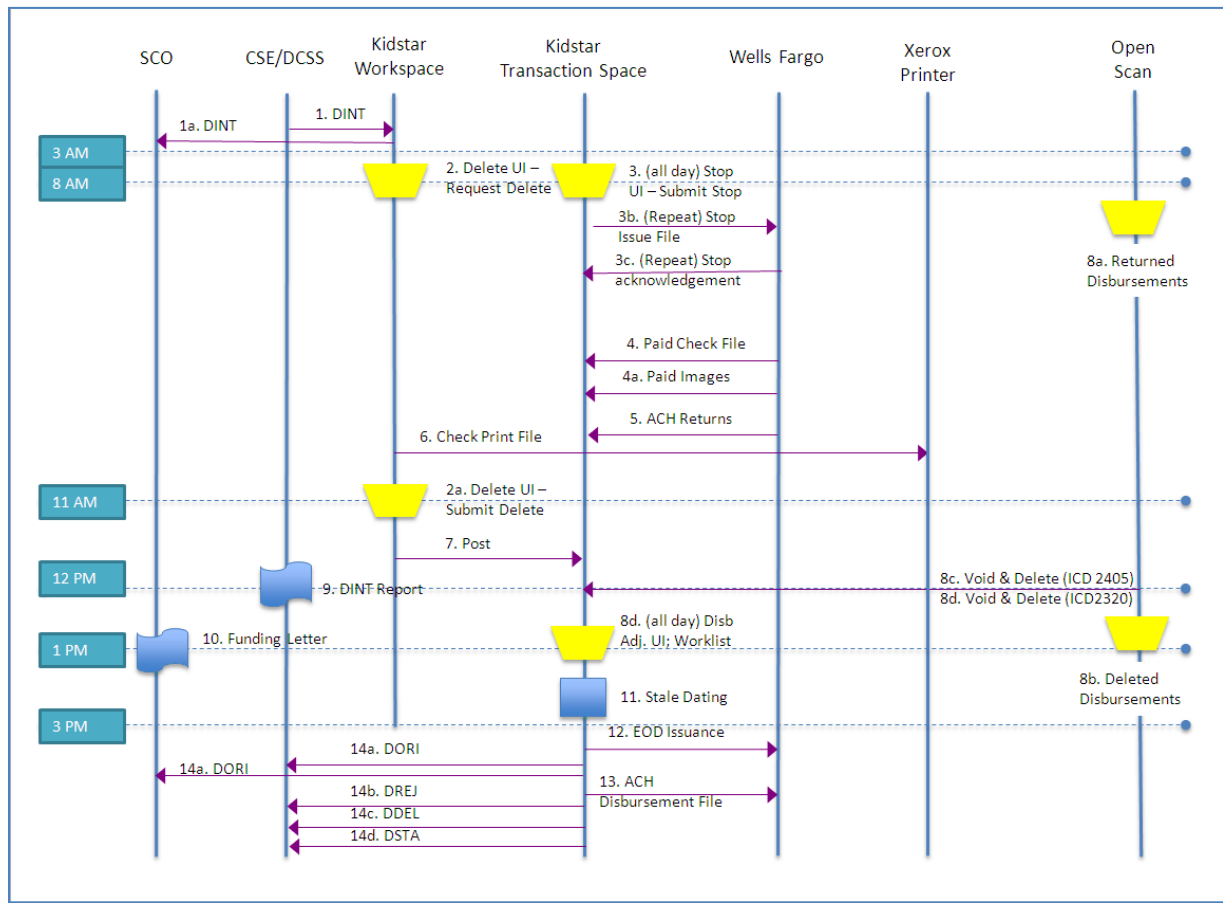


Figure 3-12 Disbursement Transmission Overview

Table 3-26 Procedure 2.1-76 Print Room End-of-Day Processing

STEP	PROCEDURE 2.1-76 PRINT ROOM END-OF-DAY PROCESSING
1	At approximately 3 P.M. (after all checks have been printed and all deletes and voids completed), verify that the Check File database has been archived and the disbursement files deleted from the FTP server.
2	Secure all unused check stock.
3	Ensure checks are prepared and picked up by the courier for delivery to the USPS.
4	Ensure all logs are completed and all equipment and doors are secured.

Table 3-27 Procedure 2.1-77 Electronic End-of-Day Processing (IT Systems Staff)

STEP	PROCEDURE 2.1-77 ELECTRONIC END-OF-DAY PROCESSING
1	At approximately 3 P.M. (after all deletes and voids completed), verify that the files have been automatically exported from KidStar.
2	Verify that all report jobs have generated and the reports have been emailed.
3	Verify that the processing date has been changed to the next business day.
4	Confirm with the bank that the electronic disbursement transfer was accurate and successful.

3.21 Associated SOWs

Table 3-28 Associated SOWs

SOW#	CATEGORY	SUBCATEGORY	REQUIREMENT TEXT	SOURCE REFERENCE
SR3.1.6	DB - Disbursements	BKG - Banking	The SP shall email an unsigned copy of the Funding Letter to DCSS as soon as it is available in the SP System, and fax a signed copy of the Funding Letter to DCSS by 1:00 PM Pacific Time each business day.	Derived DCL 03-17, Guide for Auditing State Disbursement Units, June 2003
SR3.2.1	DB - Disbursements	EFT - EFT	The SP shall process EFT/EDI, direct deposit and EPC transactions in conformance with the requirements defined by NACHA.	ACF F-3(d) 2007 ACF E-2.j.3 F-3.d.5 F-3.d.6 NACHA User Guide for Electronic Child Support payments (Version 6.1, 10/9/07)
SR3.2.2	DB - Disbursements	EFT - EFT	The SP shall transmit Interstate child support collections and corresponding remittance data to other states using the most current NACHA-endorsed EFT/EDI standard for child support payments.	ACF E-2(j)(3) ACF F-3(c) ACF F-3(d)(3), (5) and (6) NACHA User Guide for Electronic Child Support payments (Version 6.1, 10/9/07)
SR3.2.3	DB - Disbursements	EFT - EFT	The SP shall transmit electronic disbursements to other countries utilizing NACHA or other appropriate format when the receiving country has the ability to accept electronic payments.	Project Charter, Goal Set 11
SR3.2.7	DB - Disbursements	EFT - EFT	The SP shall initiate EFT reversals only upon request of DCSS.	Project Charter, Goal Set 5
SR3.3.23	DB - Disbursements	EPC - EPC	The SP shall fund the EPC cards according to disbursement instructions received from CSE.	Project Charter, Goal Set 9
SR3.3.36	DB - Disbursements	EPC - EPC	The SP shall allow DCSS to initiate reversals for any credit entries to the EPC card made in error, per NACHA regulations.	Project Charter, Goal Set 4
SR3.4.1	DB - Disbursements	GEN – General	The SP shall provide the capability to disburse payments using methods including: 1) Direct Deposit 2) EPC 3) Paper Check.	Project Charter, Goal Set 2
SR3.4.4	DB - Disbursements	GEN - General	The SP shall disburse payments in accordance with disbursement instructions received from CSE pursuant to the CSE/SDU IDD.	Derived 2007 ACF F-2.k F-5.d F-7.3
SR3.4.10	DB - Disbursements	GEN - General	The SP shall reconcile the daily disbursement amount against the CSE daily disbursement instructions received.	AT 97-13, Derived DCL 03-17, Guide for Auditing State Disbursement Units, June 2003
SR3.4.11	DB – Disbursements	GEN – General	The SP shall complete processing of disbursement instructions received from CSE by noon Pacific Time the same business day.	Derived 2007 ACF F-7.e F-2.k F-5.d
SR3.4.12	DB - Disbursements	GEN - General	The SP shall provide DCSS with a Disbursement Instructions Report for the disbursements to be	Project Charter, Goal Set 5

SOW#	CATEGORY	SUBCATEGORY	REQUIREMENT TEXT	SOURCE REFERENCE
			issued the current business day by Noon Pacific Time each business day.	
SR3.4.13	DB - Disbursements	GEN - General	The SP shall update disbursement statuses in the SP's system the same day the status is changed.	Project Charter, Goal Set 9
SR3.4.15	DB - Disbursements	GEN - General	The SP's system shall allow authorized State staff to: 1) Delete a disbursement 2) Place a stop payment on a check 3) Void a check	Project Charter, Goal Set 9
SR3.4.16	DB - Disbursements	GEN - General	The SP's system shall prevent deletion of individual disbursement records from disbursement instructions that contain multiple records.	Project Charter, Goal Set 9
SR3.4.17	DB - Disbursements	GEN - General	The SP shall not delete disbursements unless instructed to do so by the State.	ACF F-2(d)
SR3.4.20	DB - Disbursements	GEN - General	The SP shall provide a remittance advice with each check.	Project Charter, Goal Set 9
SR3.4.32	DB - Disbursements	GEN - General	The SP's system shall allow authorized State staff a minimum of 3 hours, within the hours of 8:00 A.M to 5:00 PM, each business day, to perform disbursement deletes, stop payments and voids.	Project Charter, Goal Set 9
SR6.1.5	RL - Reports and Logs	LOG - Logs	The SP shall maintain a Disbursement Check Error Log to account for any gap in check numbers, (e.g., destroyed or mutilated checks due to equipment malfunction). Data logged will be defined in the SDU Disbursement Processes and Procedures Plan (CDL DB 001).	Project Charter, Goal Set 5
SR6.1.10	RL - Reports and Logs	LOG - Logs	The SP shall maintain a Cage Access Log to record all access and activity of persons entering the secured area where disbursement items awaiting mail pick-up are stored.	Derived DCL 03-17, Guide for Auditing State Disbursement Units, June 2003
SR7.1.5	SL - Service Level Standard	GEN - General	The SP shall mail paper disbursements the same day disbursement instructions become available for processing.	Project Charter, Goal Set 1
SR7.1.6	SL - Service Level Standard	GEN - General	The SP shall transmit electronic disbursements the same day disbursement instructions become available for processing.	Project Charter, Goal Set 1

4 DISBURSEMENT STATUS UPDATES

Disbursements that were issued on a previous day show a status of PRINTED, EFTINITIATED, or EDINITIATED until the status is changed. This section details the procedures related to changing the status of a disbursement and updating the data file with the new status.

Table 4-1 Valid Disbursement Statuses

CSE Disb Method	CSE Status	Kidstar Disb_Type	Disb_Status	Description
CHK	DEL	CHECK	PULLED	Deleted
CHK	ORG	CHECK	PRINTED	Originated
CHK	REJ	CHECK	REJECTED	Rejected
CHK	PDC	CHECK	CHECKRDMD	Paid
CHK	STL	CHECK	STALED	Staled
CHK	STP	CHECK	STOPPED	Stopped
CHK	VOD	CHECK	VOIDED	Voided
ACH	DEL	EFT	PULLEDEFT	Deleted
ACH	ORG	EFT	EFTINITIATED	Originated
ACH	REJ	EFT	REJECTED	Rejected
ACH	RET	EFT	EFTRETURNED	Returned
ACH	RET	EFT	EFTREVERSED	Reversal returned
EPC	DEL	EDISB	EDPULLED	Deleted
EPC	ORG	EDISB	EDINITIATED	Originated
EPC	REJ	EDISB	REJECTED	Rejected
EPC	RET	EDISB	EDRETURNED	Returned
EPC	RET	EFT	EDREVERSED	Reversal returned
KidStar Internal Statuses				
		CHECK	INGESTED	initial status after DINT ingest
		CHECK	POSTED	After posting to transaction space and before export to printer
		CHECK	PULL_PENDING	pulled check awaits OPEN SCAN
		CHECK	PEND_STOP_RDMD	intermediate status marked by paid Check File process; check paid after STOP_PENDING
		CHECK	STOP_PENDING	Stops requested pending stop acknowledgement
		EDISB	INGESTED	initial status after DINT ingest
		EDISB	EDPOSTED	before EPC was sent to bank
		EFT	INGESTED	initial status after DINT ingest
		EFT	EFTPOSTED	before ACH was sent to bank


4.1 Voiding Checks Returned As Undeliverable

Child support disbursement checks that do not have a valid address or a change of address are returned by the USPS. The post office puts a yellow sticker or stamp on the envelope and returns it to the CA SDU as undeliverable for two reasons:

- No Forwards – Non-Forward will display “Return to Sender” on the yellow sticker.
- Forwards – Forward will display an address on the yellow sticker.

The mailroom staff maintains a separation of the returned checks from all other mail. Envelopes containing child support disbursement checks will remain unopened and are scanned and processed the same day received. [SR3.4.29] The scan captures the disbursement ID, visible in the address window, which enables the identification of relevant information about the check.

Table 4-2 Procedure 2.2-1 Voiding Checks Returned as Undeliverable

STEP	PROCEDURE 2.2-1 VOIDING CHECKS RETURNED AS UNDELIVERABLE
1	<p>The unopened envelopes are punched by the mailroom staff with a special punch that marks them as VOID with a pattern of small holes. The window and any yellow sticker affixed by the Post Office remain intact as they are not included in the punched area.</p> 
2	The returned envelopes are then scanned on the OPEX equipment using the “Returned Check” job which captures the disbursement ID number visible on the envelope
3	Returned Checks are routed to the Image Data Capture (IDC) queues for processing of the address information provided by the USPS.
4	Returned Checks that are exported to KidStar from OpenScan, where the status is updated to Void. Updated statuses are exported in the DSTA file at approximately 4:30 PM each processing day (section 4.9).
5	The physical checks are logged and kept within the secure storage area for ten (10) business days before shredding.

4.2 Updating Participant Address Information in CSE

Participant address changes received as a result of returned disbursements will be updated directly in CSE by the CA SDU when the address change is the result of a USPS yellow sticker affixed to the returned envelope. All CA SDU EHD staff will receive training on the CSE business rules for address validation and exception handling. Any address change requests that do not meet the criteria for processing will be forwarded to DCSS by the next business day after the change information was received at the SDU. Work Instructions will provide detailed instructions for the rerouting of these items to DCSS if required. [SR3.4.28]

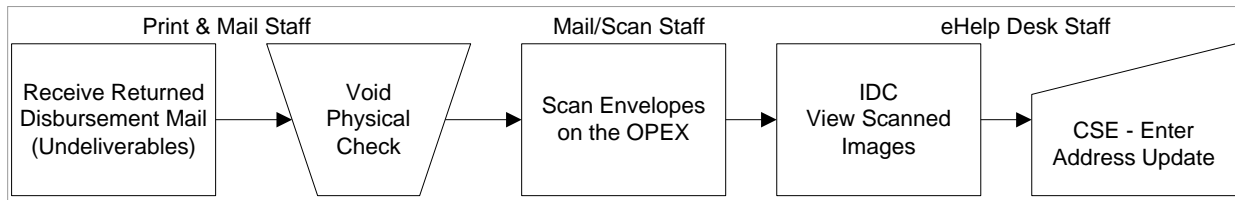


Figure 4-1 Void Physical Check, Update Participant Address Flow

Table 4-3 Procedure 2.2-2 Updating Participant Address Information in CSE

STEP	PROCEDURE 2.2-2 UPDATING PARTICIPANT ADDRESS INFORMATION IN CSE
1	The returned envelopes will be punched VOID and scanned unopened in the "Returned Check" queue.
2	They will be routed through OPEN SCAN to the Change of Address queue in Image Data Capture (IDC).
3	The CA SDU staff will view the scanned images in IDC using a graphical interface where the front and back of the envelope can be viewed on screen.
4	Using a side by side presentation, the SDU staff will access the CSE and enter address information according to the DCSS business rules.
5	If the check does not bear a yellow forwarding sticker, or the sticker does not have forwarding information, the CA SDU staff will update the CSE with a bad address indicator.
6	If the yellow forwarding sticker contains a forwarding address the CA SDU staff will update the CSE with the new address.

All valid address updates are input into CSE on the business day they are received.

4.3 Pulling a Check from the Disbursement Stream

Until the paper checks have been picked up by the courier for delivery to the postal facility, a CA SDU manager, acting on a request from DCSS, has the authority to request that a check be pulled from the run to prevent it from being mailed. LCSA's needing to pull check from the disbursement stream will contact DCSS to make their request.

Timing is a critical element in this process, as the tray and sequence must be identified to allow the check to be retrieved. Although the location of the check can be identified by researching the check log, the actual status of the check can only be updated by entering and processing the check through the Returned Check procedure.

If the check is being pulled to be hand-delivered to DCSS, the check information will be entered on the DCSS Courier log. If the check is to be voided, the authorized DCSS user or an authorized CA SDU manager must void in KidStar. This can be done after the Disbursement Processing date advances at the end of day. This is done using the KidStar Void/Stop/Delete user interface. This will update the status to VOID in KidStar. [SR3.4.15-Void]

The authorization to pull a check prior to mailing must come from DCSS. Specific procedures for this process are established in Work Instructions. Once instructions are received from DCSS, the Print Room supervisor (or other designated supervisor) pulls the indicated check from the disbursement stream prior to mailing. [SR3.4.18]


Table 4-4 Procedure 2.2-5 Process Check Pulls




STEP	PROCEDURE 2.2-5 PROCESS CHECK PULLS
1	CA SDU manager receives instructions from DCSS to pull a check.
2	Find Check: Retrieve location of check from Check Print Database, pull physical check and log disposition.
3	Generate and Balance Reports – Update USPS manifest to reflect checks pulled.
4	<p>Void Check: If the check is to be voided rather than delivered to DCSS the item is VOID punched, and when the Disbursement Processing date advances at the end of the day the item will be voided in KidStar by using the KidStar Stop/Void/Delete user interface. The physical VOID punched check retained in secure storage with the daily log for 10 business days before being shredded.</p> <p>Deliver to DCSS: If the check is to be delivered to DCSS, place in an inter-agency mail envelope, indicate the delivery point (Name of DCSS recipient and Mail Stop), and in DCSS Courier Bag for delivery. If the check is pulled outside of the courier's schedule, place the check in the safe until DCSS Courier Bag is prepped.</p>

4.4 Entering STOP Requests in KidStar (DCSS, LCSA)

Any DCSS and LCSA users that have been granted the authority to do so will be able to access the KidStar Disbursement Stop Request application and request that a disbursement be stopped. The Stop requests are processed automatically by KidStar. At regular intervals throughout the processing day the file will be sent to the bank. KidStar Job Management is also scheduled to retrieve the Stop Acknowledgement File from the bank. [SR3.4.15]

Table 4-6 Procedure 2.2-10 Enter Disbursement Stops in KidStar

STEP	PROCEDURE 2.1-10 ENTER DISBURSEMENT STOPS IN KIDSTAR
1	<p>Enter the CSE Disbursement ID, Disbursement Amount, select Stopped from the Adjustment Type drop down, select an Adjustment Reason from the drop down and enter comments in the Comment field. Select the Submit button.</p> 

STEP	PROCEDURE 2.1-10 ENTER DISBURSEMENT STOPS IN KIDSTAR
2	<p>Validate the information produced by the search and select the hyperlink in the CSE DISB ID field.</p> 
3	<p>Select the Confirm button</p> 
4	<p>To print the Stop Request, select the Print button.</p> 
5	<p>Confirm Request Status through search function.</p>

With respect to the processing of a stop, DCSS and LCSA authorized users will be able to search by CSE Disbursement ID and the other required fields as detailed in procedure 2.1-10. Note that the revised screen #1 above now requires the CSE Disbursement ID instead of the check number. Screens #2 and #3 fields will be auto-populated from the database and information entered from the search screen.

The user will be required to enter a reason code. There are three possible reason codes that are selected and populate the reason in the adjustment history: 1) issued in error (disbursement was released and transmitted in the DINT file, but should not have been); 2) check lost (the disbursement has been reported lost); and 3) check stolen (the disbursement has been reported stolen). The above process creates the stop which is then transmitted to the bank. Stop Request files are generated throughout the day and transmitted to the bank. The bank will then produce the stop confirmation files for KidStar to process. The Stop Request Confirmation screen (step 4 above) confirms that the stop has been accepted in the KidStar workspace.

DCSS and LCSA authorized users will be able to process a stop in the KidStar workspace without any involvement from CA SDU managers. Technical difficulties can be addressed by calling the LCSA Help Desk.

4.5 Send and Retrieve Stop Check Files

Throughout the processing day, KidStar's Quartz Job Management Scheduler generates ICD 4190B to send STOP requests to Wells Fargo Bank. The automated job runs between 10:00 AM and 4:00 PM Pacific Time on business days and also checks for any ICD 4200B files, the corresponding acknowledgement file from the bank for previously sent requests.

Table 4-7 Procedure 2.2-15 Send and Retrieve Stop Check Files

STEP	PROCEDURE 2.2-15 SEND AND RETRIEVE STOP CHECK FILES
1	The job runs every 20 minutes between 10:00 AM and 4:00 PM Pacific. Any failure in the process is reported to SDU technical staff. The escalation process is to inform the SDU's development and support team to investigate any errors that cannot be handled locally.
2	The automated job exports ICD 4190B to Wells Fargo, if present.
3	The automated task downloads 4200B, if present and ingests it.

4.6 Retrieve Paid Check File and Paid Check Images File

KidStar Job Management is scheduled to retrieve the paid (cleared) Check File (ICD 1340) from Wells Fargo Bank. The file is ingested to update the disbursement status and disbursement "paid date" in KidStar. KidStar also ingests the Paid Check Image File (ICD 2240) and links the images to the disbursement records. There are times when an image received in the bank's file cannot be linked automatically. This is usually due to a bad image. KidStar will add images that are not linkable to the Disbursement Image Worklist where the CA SDU accounting/reconciliation clerk can look up the disbursement and link it manually. The finance clerk researches the unlinked checks in KidStar to correctly link the image from the returned file to KidStar disbursements.

Table 4-8 Procedure 2.2-20 Retrieve Paid Check File and Paid Check Image File

STEP	PROCEDURE 2.2-20 SEND AND RETRIEVE PAID CHECK FILES
1	An automated job runs within KidStar at 7:00 AM to pull paid check files from Wells Fargo. Any failure in the process is reported to SDU technical staff. The escalation process is to inform the SDU's development and support team to investigate any errors that cannot be handled locally.
2	The automated job ingests the bank files

4.7 Retrieve ACH Returns File

KidStar Job Management is scheduled to retrieve the ACH Return File (ICD 2230) from the bank. KidStar ingests the file to update the disbursement status and disbursement reject reason appropriately based on whether it is a return or a Notice of Change (NOC). The NOC records are exported later in the EFT NOC File.

Table 4-9 Procedure 2.2-25 Retrieve ACH Returns File

STEP	PROCEDURE 2.2-25 RETRIEVE ACH RETURNS FILE
1	An automated job runs within KidStar at 7:00 AM to pull the ACH returns file from Wells Fargo. Any failure in the process is reported to SDU technical staff. The escalation process is to inform the SDU's development and support team to investigate any errors that cannot be handled locally.
2	The automated job ingests the bank files.

4.8 Confirm Stale Date Batch Process Job Completes

During KidStar automated end of day processing, the system updates the disbursement status from Printed to Staled when the disbursement's issuance date is greater than 187 days. The Staled status is reflected in the DSTA (ICD 1315D) file (See Section 4.9). Notification of job completion is sent to various SDU staff members, including IT staff, who verify job completion.

Table 4-10 Procedure 2.2-30 Confirm Stale Date Batch Process Completes

STEP	PROCEDURE 2.2-30 CONFIRM STALE DATE BATCH PROCESS RUNS
1	An automated job runs within KidStar at 4:30 PM Pacific Time to update disbursement statuses in KidStar. One task within this job generates the DSTA file. Any failure in the process is reported to SDU technical staff. The escalation process is to inform the SDU's development and support team to investigate any errors that cannot be handled locally.

4.9 Export Status File to CSE: DSTA

The DIS-008 Disbursement Response Status File (DSTA, ICD 1315D) includes all status updates as identified in INT001, Section 3.2.2: Voids, Stops, Paid, Staled. The DSTA file is sent to CSE on business days at approximately 4:30 PM Pacific Time as a task within the job that creates the file. SDU IT staff verifies job completion and file transmission through notifications from KidStar.

Table 4-11 Procedure 2.2-35 Export Status File to CSE

STEP	PROCEDURE 2.2-35 EXPORT STATUS FILE TO CSE
1	A separate task of the 4:30 PM Pacific Time job in KidStar transmits the DSTA file. Any failure in the process is reported to SDU technical staff. The escalation process is to inform the SDU's development and support team to investigate any errors that cannot be handled locally.

4.10 Associated SOWs

Table 4-12 Associated SOWs

SOW#	CATEGORY	SUBCATEGORY	REQUIREMENT TEXT	SOURCE REFERENCE
SR3.4.15	DB - Disbursements	GEN - General	The SP's system shall allow authorized State staff to:	Project Charter, Goal Set 9



DB001 - SDU Disbursement Processes and Procedures

SOW#	CATEGORY	SUBCATEGORY	REQUIREMENT TEXT	SOURCE REFERENCE
			1) Delete a disbursement 2) Place a stop payment on a check 3) Void a check	
SR3.4.18	DB - Disbursements	GEN - General	The SP's designated supervisory staff shall have the ability to manually pull a disbursement check from the disbursement stream, prior to mailing, in accordance with DCSS business rules.	ACF F-2(d)
SR3.4.28	DB - Disbursements	GEN - General	The SP shall update participant address information in CSE with information received from returned disbursements on the day received.	Project Charter, Goal Set 4
SR3.4.29	DB - Disbursements	GEN - General	The SP shall void all checks returned as undeliverable by the USPS on the day received.	Project Charter, Goal Set 9

5 PROCESSING ENROLLMENT APPLICATIONS

Direct deposit and electronic payment card enrollments are requests from custodial parties (CPs) to have their child support payments electronically deposited into their personal bank account or onto an electronic payment card (EPC). Custodial parties may initiate an enrollment by calling the IVR, visiting the website or by faxing or mailing in an enrollment form to the CA SDU. Paper direct deposit enrollment forms are processed within two business day of receipt. [SR3.4.33]

Enrollments received through the IVR and Web are captured by the EP backend and sent to KidStar (see Figure 5-1, Step 1.5, below). Once in KidStar, the EPC enrollments are sent to the EPPIC/GO system where they are set up as a new account (Step 2) and then sent back to KidStar with the new account number (Step 3). At the same time, EPPIC/GO issues an EPC card which is mailed out to the CP (Step 3.1). The CP receives the card and PINs it (Step 4). This activates the account in EPPIC/GO and sends the PIN status file back to KidStar (Step 5). KidStar then sends the new status to CSE on the EFT update file (Step 7). The CP's new EPC account is now ready to receive disbursements.

Direct deposit IVR and website enrollments follow the same path to KidStar (Step 1.5). KidStar creates the direct deposit account, and "releases" it to CSE in the regular EFT update file (Step 7). If the direct deposit EFT does not go through, CSE sends it back to KidStar on the EFT reject file (Step 8).

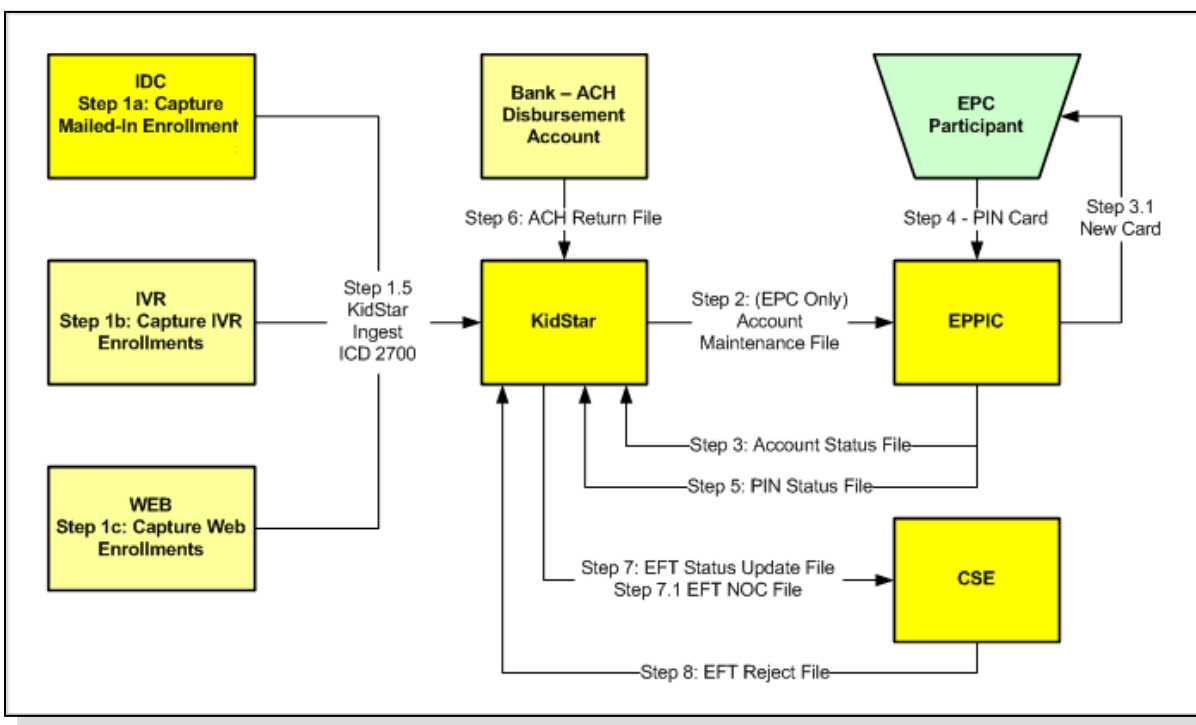


Figure 5-1 Processing Enrollment Applications

As noted above, Custodial Parties may mail or fax a paper form to the CA SDU for processing (Step 1a). These paper enrollment forms arrive by fax to the customer service center or by mail to PO Box 989064, West Sacramento, CA 95798-9064. These forms are separated from all other mail, and then scanned on the OPEX machines to be processed in Image Data Capture (IDC) queues in the Data Capture Department. As each item is scanned and imaged, the date and time stamp is printed on the back of the document and is also recorded in the system as an audit trail. The date stamp enables a KidStar user to search for an enrollment application by date. The audit trail is part of the document image file and remains accessible to users for the life of the contract.

All enrollment forms whether an enrollment application or a notice of change, are initiated the same day received and are ingested into KidStar along with the IVR and Web enrollments (Step 1.5). [SR3.2.4] KidStar includes all the Direct Deposit status adds, updates, and terminations in the DIS003 Daily EFT Status Update File (Step 7).

CPs can also initiate direct deposit and EPC cancellations, as well as direct deposit account or routing number changes utilizing the website or IVR. KidStar sends EPC terminations on the day they are received to CSE via the EFT Status Update file. KidStar also sends EPC additions to CSE via this file but only after the card has been pinned by the Custodial Parent. [SR3.2.5]

For processing of paper enrollments, the routing and account number on each direct deposit enrollment application is keyed twice. Quality assurance transaction processors verify the keyed data. If the application is incomplete or invalid, a transaction processor generates correspondence that is mailed to the custodial party specifying the missing or invalid information. Every direct deposit application, regardless of the source, is processed by the end of the same day it is received.

Figure 5-1 above displays the workflows for paper initiated enrollments and change notices. The applications processed each business day are provided to the CSE in the Daily EFT Status Update File (DIS-003).

Table 5-1 Procedure 2.3-1 Image Data Capture of Enrollment Applications

STEP	PROCEDURE 2.3-1 IMAGE DATA CAPTURE OF ENROLLMENT APPLICATIONS
1	Applications are scanned on the OPEX machines by scan room team.
2	Data entry operator views all images scanned with the application and captures all data from the scanned images.
3	Second data entry operator re-keys bank information.
4	Quality Assurance operator verifies keyed data for accuracy and reviews images for mismatches or errors.
5	If an application is missing required information, transaction status is set to incomplete and routed to the Address queue.
6	Address queue operator generates and prepares for mailing a letter to the custodial party to obtain the missing information.
7	If an application is received with cancel or terminate written on the form, the data entry operator forwards the documents to ccsasbusinesssolutions@dcss.ca.gov for processing.
8	A KidStar automated job captures all enrollment application and cancellation activity to include in the Daily EFT Status Update or Notice of Changes files.

5.1 Processing Enrollment Terminations

Custodial parties can also call the IVR or visit the website to cancel their existing direct deposit enrollment or EPC card authorization. These requests are processed daily. KidStar verifies that a direct deposit or EPC enrollment exists, and sends the cancelation request to DCSS for CSE cancelation. Every direct deposit or EPC termination is initiated the same day it is received. [SR3.2.5]

KidStar includes all the Direct Deposit status adds, updates, and terminations processed prior to job initiation in the DIS003 Daily EFT Status Update File. KidStar also sends EPC terminations on the day they are processed to CSE via EFT Status Update File.

All identified paper termination requests for Direct Deposit or EPC are forwarded on the same business day as received to DCSS for processing by email to ccsasbusinesssolutions@dcss.ca.gov.

5.2 Achieving Full Paperless Disbursements

Xerox acknowledges and supports any DCSS program to achieve full paperless disbursements, so that all custodial parties, with limited exceptions approved by DCSS, shall receive disbursements via direct deposit or EPC. [SR3.2.6]

- To enroll on the website or IVR for direct deposit, the Participant ID and Social Security Number combination must match and role type equal to "CP" in the PMF.. Additionally, the bank account must be issued from a United States financial institution.
- For paper direct deposit requests where the custodial party does not have an active Social Security Number or the Social Security Number is invalid, the request will be e-mailed to DCSS for processing at ccsasbusinesssolutions@dcss.ca.gov.

- To enroll on the website or IVR for EPC, the Participant ID and Social Security Number combination must match and role type equal to "CP" in the PMF. Additionally, the Date of Birth must be greater than 13 years old.

5.3 Complying With Regulation E-Electronic Funds Transfers (12 CFR 205) Requirements

The Electronic Funds Transfer Act (EFTA) is intended to protect consumers engaging in electronic fund transfers. Xerox will comply with all requirements of Regulation E-Electronic Funds Transfers (12 CFR 205). Section 205 of Regulation E includes rules regarding liability for lost or stolen cards, cardholder notification, cardholder terms of use, and the rights of cardholders to receive a written account history upon request. Section 205.15 contains specific rules concerning the issuance of cards, alternative methods for periodic statements, initial disclosures, and liability for unauthorized use, and error resolution notices.

The DCSS EPC Program fully complies with all aspects of Regulation E. Operationally, the EPPIC operation staff develops and distributes notifications to cardholders within prescribed regulatory timeframes to support program and regulatory changes, as necessary. The EPC Customer Service Center provides ongoing information and dispute resolution services to cardholders, and takes action on lost and stolen cards using Regulation E compliant procedures. As a major provider of electronic payment card services to child support custodial parties across the country, Xerox must remain cognizant of all changes to Regulation E requirements and apply these promptly, as required, to cardholder accounts. [SR3.4.3] While much of Section 205 applies to the use of electronic funds transfer by individual cardholders, Xerox will strictly apply rules governing the disbursement of funds to cardholder account electronically. Of equal importance will be the adherence to NACHA rules governing EFT/ACH transfers between financial institutions.

Xerox maintains internal legal and banking resources to ensure continuous compliance with Regulation E requirements. In addition, the regular involvement of the VISA or MC networks, other financial institutions and the merchant community in the normal cardholder dispute resolution process brings an important level of scrutiny to numerous cardholder transactions. Finally, the cardholder consumer advocacy community provides a further set of checks and balances on the actions of system participants.

5.4 Ingest and Export Enrollment Files

Throughout the processing day, KidStar's Quartz Job Management Scheduler ingests and exports files related to enrollment processing. It is the responsibility of the SDU's IT staff to ensure that all files have processed timely and accurately. Jobs are scheduled and run in an automated fashion, with job failures notifying IT staff. The IT staff has escalation procedures in place for enlisting the help of SDG, the SDU Delivery Group, for resolution of issues that cannot be handled locally.

Table 5-2 Procedure 2.3-10 Confirm Ingest and Export of Enrollment and Account Maintenance Files

STEP	PROCEDURE 2.3-10 CONFIRM INGEST AND EXPORT OF ENROLLMENT AND ACCOUNT FILES
1	ICD 2700 – Enrollment File: Check Job Log for Ingest of ICD 2700 from OPEN SCAN to KidStar.
2	ICD 2705 – Account Maintenance File: Check Job Log for Export of ICD 2705 from KidStar to EPPIC. ICD 2705GO – Account Maintenance File: Check Job Log for Export of ICD 2705 from KidStar to GO.
3	ICD 2710 – Account Status File: Check Job Log for Ingest of ICD 2710 from EPPIC to KidStar. ICD 2710GO – Account Status File: Check Job Log for Ingest of ICD 2710 from GO to KidStar.
4	ICD 1225 – EFT Status Update (DIS 003): Check Job Log for Export of ICD 1225 from KidStar to CSE.
5	ICD 4160 – EFT NOC File (DIS 004): Check Job Log for Export of ICD 4160 from KidStar to CSE.
6	ICD 2410 – EFT Status Update-Rejects (DIS 005): Check Job Log for Ingest of ICD 2410 from CSE to KidStar.
7	Escalation Process: Follow escalation work instruction if a fatal error occurred.

5.5 Associated SOWs

Table 5-3 Associated SOWs

SOW#	CATEGORY	SUBCATEGORY	REQUIREMENT TEXT	SOURCE REFERENCE
SR3.2.4	DB - Disbursements	EFT - EFT	The SP shall initiate the process to authorize direct deposit by close of business the same day the request is received.	Derived DCL 03-17, Guide for Auditing State Disbursement Units June 2003
SR3.2.5	DB - Disbursements	EFT - EFT	The SP shall initiate the process to terminate direct deposit by close of business the same day the request is received.	Derived DCL 03-17, Guide for Auditing State Disbursement Units June 2003
SR3.2.6	DB - Disbursements	EFT - EFT	The SP shall support any DCSS program to achieve full paperless disbursements, so that all custodial parties, with limited exceptions approved by DCSS, shall receive disbursements via direct deposit or EPC.	ACF F-8(a)
SR3.4.3	DB - Disbursements	GEN - General	The SP shall comply with all requirements of Regulation E-Electronic Funds Transfers (12 CFR 205).	Project Charter, Goal Set 4
SR3.4.33	DB - Disbursements	GEN - General	The SP shall process paper direct deposit enrollment forms within two business day of receipt.	Project Charter, Goal Set 9

6 DISBURSEMENT FINANCIAL RECONCILIATION

A prerequisite to understanding the financial reconciliation procedures is an understanding of the bank account structure supporting the CA SDU disbursement activity and the funding mechanism for the DCSS Master Account. The following introductory sections provide an overview of these areas as a foundation.

Account Structure. Depicted in Figure 6-1, there are a total of five disbursement-related accounts: one master funding account with three linked zero balance accounts, and a segregated electronic payment card account that is held in trust for the benefit of cardholders. The DCSS Master Investment Sweep Account is State-owned. The fully-automated, nightly sweep of the funds into a State-approved investment eliminates the need to collateralize any residual balances at the end of the day in the DCSS Master Investment Sweep account that are otherwise protected with FDIC insurance.

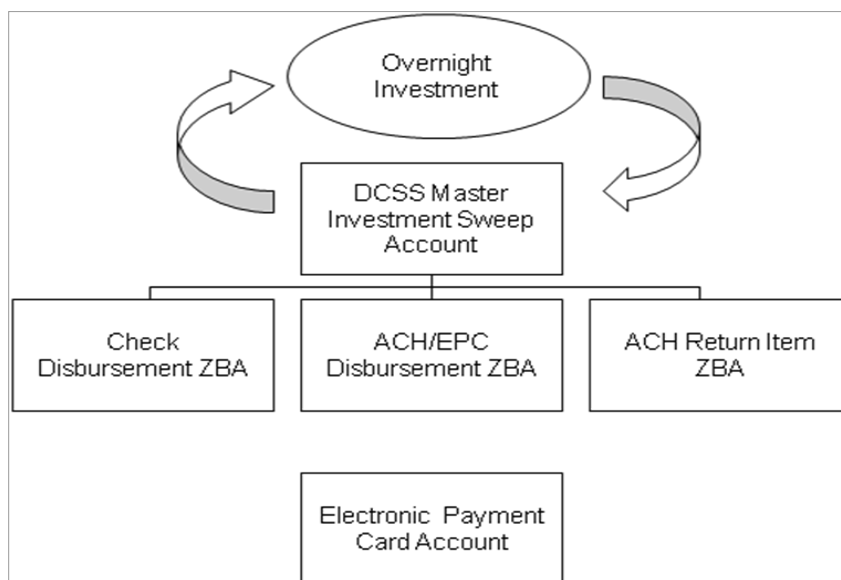


Figure 6-1 Account Structure

The three zero balance accounts (ZBAs) linked to the DCSS Master Investment Sweep Account provide a means of segregating disbursement transactions into three separate types: Checks, ACH transactions, and ACH returned items. This segregation provides greater efficiency in transaction processing and reconciliation. Each of the three ZBAs is owned by Xerox.

The EPC Account is a separate demand deposit account established by Xerox for the benefit of cardholders. The account is funded by ACH Credits originated by the CA SDU from the ACH/EPC Disbursement ZBA.

State Funding Model. The State uses a funding model referred to as “fund on issue”, whereby funds are transferred to the DCSS Master Investment Sweep Account based on the value of each day’s issued disbursements. This funds transfer process adheres to a State-established procedure

and timeline, resulting in a warrant issued from the State Controller's Office (SCO) to the Centralized Treasury System (CTS) which in turn wire transfers the funds to the DCSS **Master Account**. This funding method results in a one-day delay in funding the DCSS Master Investment Sweep Account. It is the State's responsibility to ensure adequate funding of all disbursements. Thus, in addition to the daily in-bound wire transfers, the State also maintains a sufficient minimum balance in the DCSS Master Investment Sweep Account that is invested nightly.

6.1 Internally Reconciling Transactions

Within KidStar, reconciliation occurs for disbursement transactions throughout the day. The CA SDU's staff is responsible for ensuring the execution of the following standard Xerox reconciliation points [SR3.1.3]:

- After Receiving Instructions to Disburse Payments
- At Conclusion of Disbursement Batch Processing
- Prior to Transmitting Results of Executing Disbursement Instructions to CSE
- Upon receipt of bank disbursement documentation

The purpose of the first three points of reconciliation is to ensure that KidStar disbursements reconcile to the instructions received from the CSE system. The fourth reconciliation point is a financial reconciliation of the disbursement bank accounts, involving both the receipt and comparison of bank transaction information and the correction of any identified exceptions. Disbursement bank account reconciliation involves comparing information in KidStar against the bank information [SR3.4.10] to produce a bank-to-book reconciliation.

Reconciliation after Receiving Instructions to Disburse Payments [SR3.1.3-1]. Reconciliation activity after the receipt of disbursement instructions focuses on ensuring the integrity of the disbursement instructions—that the disbursement instructions received balance against those sent by CSE in the DINT File as shown in Table 6-1.

Table 6-1 Procedure Reconciliation after Receiving Disbursement Instructions

STEP	RECONCILIATION AFTER RECEIVING DISBURSEMENT INSTRUCTIONS
1	KidStar receives Disbursement Instruction (DINT) File from CSE
2	KidStar verifies: <ul style="list-style-type: none"> • The completeness of the file – the file has the required header and trailer records, and the header/trailer sum and counts match the detail • The Transmission ID has not been previously processed • The DIR disbursement IDS have not been previously processed • The DIR disbursement IDs have not been duplicated in the DIR records in the file
3	If the verification fails: <ul style="list-style-type: none"> • KidStar stops ingesting the file • Writes a message to the job log of any error detected during the file transmission audit • Initiates communication and the problem resolution process with DCSS to resolve the file issue
4	If the verification is successful, the file is fully ingested into KidStar.

Reconciliation at the Conclusion of Disbursement Batch Processing [SR3.1.3-2]. Once each of the disbursement files has been successfully validated, they are stored in a Disbursement Workspace in KidStar.

Once the files are ingested by KidStar, the ACH instructions and the Check Print File each represent a disbursement processing batch. Within each batch, individual disbursement transactions become a disbursement record in KidStar, and all activity is tracked against that disbursement for comprehensive reporting and historical documentation of the disbursement's status in KidStar.

The Disbursement Process Date is set through a KidStar UI and is updated each business day. When disbursement records are stored, that process date is assigned to each record. The process date that is recorded when a disbursement record is stored does not change and is used to identify the set of records that originated from CSE disbursement instructions. The use of the processing date during file exports ensures that all records that are imported in one file are exported together in another file. As disbursements move through the system, they are assigned a number of status codes as well as reason codes (for a table of codes, see Section 6.7). A single disbursement record can have many states in its lifecycle, and be exported multiple times to various system(s), each time with a different status.

At the conclusion of batch processing, the Disbursement Workspace must be empty of current day disbursements, that is, all disbursement instructions were successfully completed. KidStar produces various disbursement reports to determine that all disbursement instructions were successfully completed through the disbursement process. Following this process, Xerox notifies DCSS that the total daily disbursement amount correctly reconciled against the daily distribution instructions. The reconciliation steps for this process are listed in Table 6-2.

Table 6-2 Reconciliation at the Conclusion of Batch Processing

STEP	RECONCILIATION AT THE CONCLUSION OF BATCH PROCESSING
1	Display the Disbursement Balancing Report for the current processing day.
2	Confirm that the count and amount of all records in the DINT File for the processing day reconciles to the count and amount of all records in the DORI, DREJ, and DDEL files. The reconciliation formula is: DORI+DREJ+DDEL= DINT
3	If there is a discrepancy compare the individual files with the job logs and resolve differences.
4	Report any discrepancies that can't be resolved to the check print and mail manager immediately for escalation.

Reconciliation Prior to Transmitting Results of Executing Disbursement Instructions to CSE [SR3.1.3-3]. At the conclusion of daily file processing, KidStar has the functionality to produce a Daily Disbursement Disposition File that includes all the disbursement activity for the current disbursement processing date. The records to be included in the Results File to CSE are determined by configurable export rules. Prior to transmission, KidStar balances the total output of the day's disbursement process to the original instructions. At transmission, a series of reports are run to validate what was transmitted to CSE matched what was received in disbursement (including exception handling) instructions that day.

Reconciliation upon Receipt of Bank Data [SR3.1.4]. Disbursement bank account reconciliation involves comparing information received from the bank against CSE-held information. This type

of reconciliation, referred to in industry terms as bank-to-book, is fully supported by the automated capability of our KidStar and double entry ledger functionality of the accounting module. Each of the disbursement account reconciliations are discussed in the following subsections.

6.2 Reconciling Disbursement Bank Accounts Daily and Monthly

Account reconciliations are preformed daily and monthly on all required CA SDU account using KidStar's reconciliation module. Daily reconciliation and identification of exceptions related to check and EFT disbursements provides the best opportunity to resolve issues while detailed information is immediately available. Monthly reconciliation provides consolidated information over a broader period. The KidStar system, MS Excel, CA SDU's detailed accounting procedures, and transaction information provided by Wells Fargo Bank in a Bank Administration Institute format (BAI2) serve as the basis to reconcile disbursement transactions and identify and report exceptions for further research. [SR3.1.4]

Provided within the remainder of this section are procedures for reconciling the following accounts:

- DCSS Master Investment Sweep Account
- Check Disbursement ZBA
- ACH/EPC Disbursement ZBA
- ACH Return Item ZBA
- Electronic Payment Card Account

6.2.1 DCSS Master Account

The purpose of the DCSS Master Investment Sweep Account is to provide a source of funding for CA SDU disbursement transactions. The primary transactions posting to the DCSS Master Investment Sweep Account include: off-setting ZBA credits and debits associated with three ZBAs, overnight sweep investment transactions, interest income credits, and State Treasurer's Office (STO) wire transfer credits for funding disbursements based on "funds on issue".

The first three transaction types occur through automated bank postings, while the fourth transaction type requires communication of daily disbursement information to the State that ultimately results in the funding of the DCSS Master Investment Sweep Account with a wire transfer from the State Treasurer's Office (STO). Transactions originating to/from the DCSS Master Investment Sweep Account are not contained in KidStar and Xerox does not have access to view online bank reporting of account transactions and balances. The account is reconciled daily by DCSS Accounting, using supporting information from KidStar reports.

6.2.2 Reconciliation Of The Check Disbursement Zero Balance Account

The approach to reconciliation is to perform daily and monthly reconciliation of the check disbursement account [SR3.1.4]. For these transactions, the daily reconciliation function is

accomplished through a combination of the Positive Pay services provided by Wells Fargo Bank and the performance of established KidStar reconciliation procedures supported by transmitted data sent from Wells Fargo in a Bank Administration Institute (BAI2) format. Monthly account reconciliation is performed using Wells Fargo Bank-supplied Account Reconciliation Program (ARP) reports, along with internal KidStar reconciliation functions.

Wells Fargo Bank's ARP service is essentially an extension of the Positive Pay service. The data presented on the daily Check Issue files that are sent by the CA SDU to the bank to support the Positive Pay service are accumulated by Wells Fargo Bank and added to the check register maintained on file at the bank. At the end of each month, the bank performs a reconciliation of all issued checks to those that cleared during that month, identifying any adjustments for transactions that may have initially been posted erroneously. The reconciliation package from the bank includes the following reports:

- Miscellaneous Credits Report
- Miscellaneous Debits Report
- Consolidated Report
- Outstanding Settlement Report
- Recap of Posted Items Report
- Stops Report
- Rejected Transaction Report
- Account Reconciliation Summary Report
- Daily paid check images

With these reports, financial exceptions are automatically highlighted for investigation and resolution. The accumulated data from all sources – CSE, KidStar, and Wells Fargo – ultimately provide the basis for completing the required check disbursement reconciliations.

The daily reconciliation procedures performed for the Check Disbursement Account by the CA SDU accounting/reconciliation staff are presented in Table 6-3.

Table 6-3 Daily Check Disbursement ZBA Reconciliation

STEP	DAILY RECONCILIATION OF THE CHECK DISBURSEMENT ZBA
1	Access Wells Fargo Bank online information reporting system to print Previous Day Check Disbursement ZBA Account Reporting Detail
2	Verify the ZBA Credit amount in KidStar Reconciliation Worksheet to the amount on the daily bank reporting detail
3	Perform daily reconciliation
4	Research and identify daily discrepancies
5	Add new trackers for new reconciling items and clear any existing trackers
6	When the unaccounted variance is zero, close Daily Check Disbursement ZBA Account Reconciliation Worksheet
7	Report all un-reconciled disbursement information to a DCSS-designated email address within one hour of identification. [SR3.1.3 4]

The monthly reconciliation procedures for the Check Disbursement ZBA are listed in Table 6-4.

Table 6-4 Monthly Check Disbursement ZBA Reconciliation

STEP	MONTHLY RECONCILIATION OF THE CHECK DISBURSEMENT ZBA
1	Perform monthly reconciliation
2	Research and identify monthly discrepancies
3	Add new trackers for new reconciling items and clear any existing trackers
4	When the unaccounted variance is zero, close Monthly Check Disbursement ZBA Account Reconciliation Worksheet
5	Report all un-reconciled disbursement information to a DCSS-designated email address within one hour of identification. [SR3.1.3]

6.2.3 ACH/EPC Disbursement Zero Balance Account Reconciliation

Reconciliation of the ACH/EPC disbursement transactions is performed by the CA SDU accounting/reconciliation unit using detailed procedures and defined methods that include the use of KidStar's automated reconciliation functionality. ACH disbursement activity is reconciled on a daily basis [SR3.1.4], by reconciling KidStar to bank-supplied data. The daily reconciliations include the verification of the Daily Direct Deposit File transmitted to the bank and the debit processed by the bank.

Unreconciled items are typically miscellaneous credits or debits (example, a debit or credit item that posted to the account in error) that have been misrouted to the account. Misrouted items will be tracked as reconciling items while research is performed. CA SDU accounting/reconciliation staff will contact Wells Fargo bank to obtain details of the misrouted items to resolve the previous tracked item.

The monthly reconciliation of the ACH/EPC Disbursement Zero Balance Account is a manual process that is completed outside of the KidStar system. The details of the procedures will be provided in the Work Instructions. Upon completion of the monthly reconciliation CA SDU accounting/reconciliation staff will report all unreconciled items to a DCSS designated email address within one hour of identification.

NOTE: all returned ACH transactions are credited to an alternative account – Xerox Return Item ZBA. Table 6-5 provides steps for reconciling the ACH/EPC ZBA.

Table 6-5 Daily ACH/EPC Disbursement ZBA Reconciliation

STEP	DAILY RECONCILIATION OF ACH/EPC DISBURSEMENT ZBA
1	Access Wells Fargo Bank 's CEO online information reporting system to print Previous Day ACH/EPC Disbursement ZBA Account Reporting Detail
2	Verify the ZBA Credit amount in KidStar Reconciliation Worksheet to the amount on the daily bank reporting detail
3	Perform daily reconciliation
4	Research and identify daily discrepancies
5	Add new trackers for new reconciling items and clear any existing trackers
6	When the unaccounted variance is zero, close Daily ACH/EPC Disbursement ZBA Account Reconciliation Worksheet

STEP	DAILY RECONCILIATION OF ACH/EPC DISBURSEMENT ZBA
7	Report all un-reconciled disbursement information to a DCSS-designated email address within one hour of identification. [SR3.1.3]

6.2.4 ACH Return Item Zero Balance Account Reconciliation

The reconciliation of the ACH Return Item ZBA serves to verify all returned direct deposit transaction initially originated from the ACH/EPC Disbursement ZBA are accurately captured and balanced on a daily basis to the information reported to CSE [SR3.1.4]. This function is accomplished using BAI2 data and a Returned Depository Item/Notification of Change (RDI/NOC) File presented by Wells Fargo Bank to the CA SDU in combination with reconciliation functionality of KidStar. The steps for reconciling the ACH Return Item ZBA are provided in Table 6-6.

Unreconciled items are typically miscellaneous credits or debits (example, a debit or credit item that posted to the account in error) that have been misrouted to the account. Misrouted items will be tracked as reconciling items while research is performed. CA SDU accounting/reconciliation will contact Wells Fargo bank to obtain details of the misrouted items to resolve the previous tracked item.

Table 6-6 Daily ACH Return Item ZBA Reconciliation

STEP	DAILY RECONCILIATION OF THE ACH RETURN ITEM ZBA
1	Access Wells Fargo Bank 's CEO online information reporting system to print Previous Day ACH Return Item ZBA Account Reporting Detail
2	Verify the ZBA Debit amount in KidStar Reconciliation Worksheet to the amount on the daily bank reporting detail
3	Perform daily reconciliation
4	Research and identify daily discrepancies
5	Add new trackers for new reconciling items and clear any existing trackers
6	When the unaccounted variance is zero, close Daily ACH Return Item ZBA Account Reconciliation Worksheet
7	Report all un-reconciled disbursement information to a DCSS-designated email address within one hour of identification. [SR3.1.3]

The monthly reconciliation of the ACH Return Item Zero Balance Account is a manual process that is completed outside of the KidStar system. The details of the procedures will be provided in the Work Instructions. Upon completion of the monthly reconciliation CA SDU accounting/reconciliation staff will report all unreconciled items to a DCSS designated email address within one hour of identification.

6.2.5 Electronic Payment Card (EPC) Account Reconciliation

The Electronic Payment Card In Trust For (ITF) Account is maintained by Xerox for the benefit of the cardholders. Reconciliation is performed to verify that financial settlement occurs and that each transaction is posted accurately to cardholder accounts. With NACHA-formatted files originated by the CA SDU, the financial settlement of funds occurs automatically at Wells Fargo Bank according to prescribed NACHA Rules, based on the settlement amount, data accompanying each payment batch, and the effective date of each cardholder's payment. Once

the file is settled through the banking network and drawn down from Wells Fargo Bank, the file is input into EPPIC for processing.

In addition to posting transactions to cardholder accounts, the system identifies exception transactions, such as payments that cannot be posted for reasons such as an account closure or the receipt of a payment prior to account establishment. These exceptions become reconciling items. Any payments that must be returned to the ACH Return Item ZBA are processed back through the bank's ACH system as required by NACHA Rules. A subsequent reconciliation of all ACH Return Items is performed to ensure the value of the returned payments equals the credit posted to the ACH Return Item ZBA and the debit posted to the EPC ITF Account for the benefit of cardholders.

The output resulting from this automated reconciliation process is an electronic Acknowledgement File that is retrieved by the EPPIC finance staff. The daily and monthly steps for reconciling the EPC ITF Account are provided in Table 6-7 and Table 6-8, respectively.

Table 6-7 Daily Reconciliation of EPC ITF ZBA

STEP	DAILY RECONCILIATION OF THE EPC ITF ACCOUNT
1	EPC CA Operations Manager (OM) access EPPIC Reports Server to verify posting ACH Deposit File
2	Verify the EPPIC Report confirmation of entries/dollars posted successful, confirms no rejects
3	Discrepancies identified and resolved with KidStar production report. EPPIC Back Office Settlement/Recon Team validates ACH dollars posted to cardholder account matches both cardholder deposits posted and system accounting totals
4	Discrepancies identified and resolved with EPPIC OM and KidStar Ops Manager
5	Work with Wells Fargo ACH department for any file issues and reporting discrepancies.

Table 6-8 Monthly Reconciliation of EPC ITF ZBA

STEP	MONTHLY RECONCILIATION OF THE EPC ACCOUNT
1	EPPIC Back Office Settlement/recon Team validates ACH dollars posted to cardholder account matches both cardholder deposits posted and system accounting totals for monthly aggregate sum.
2	EPPIC Systems Liability aggregate totals are compared to bank Account Statements for confirmation.
3	Research and identify any erroneous entries in Bank Account and reconcile variance to zero
4	Reconcile to zero and make entries into EPPIC to compete balancing with Book to Spend
5	Work with Wells Fargo Relationship Manager/ACH Department for any major accounting issues or reporting discrepancies.

Because the EPC Account is held in trust for the benefit of cardholders, account reconciliation statements and reports are held on file by Xerox rather than delivered to the State (a third party).

6.3 Providing Copies of Monthly Bank Account Reconciliations

At the conclusion of each month, reconciliation reports representing the accumulation for each of the following account's daily reconciliations are generated, paired with the corresponding bank account statements, and delivered to DCSS within 5 business days after the period end:

- Check Disbursement ZBA
- ACH/EPC Disbursement ZBA
- ACH Return Item ZBA

Additionally, reports are accessed throughout the period by DCSS Accounting, supporting their functions associated with reconciling the DCSS Master Sweep Investment Account. [SR3.1.7]

6.4 Banking Procedures

Wells Fargo Bank provides a combination of services in support of the CA SDU's disbursement transactions, including a set of six disbursement-related bank accounts. These bank accounts include: a master account, an investment account, three zero balance accounts (ZBA), and a separate account for the benefit of EPC cardholders. Transaction posting and information reporting is provided for each of these accounts. Information reporting is accessed by designated individuals at DCSS and the CA SDU in report and BAI2 formats through Wells Fargo Bank's CEO system, an online balance and transaction reporting service.

Table 6-9 provides a list of disbursement accounts established at Wells Fargo Bank, along with each account's purpose, transaction types and ownership.

Table 6-9 Disbursement Bank Accounts

ACCOUNT	PURPOSE	TRANSACTION TYPES	ACCOUNT OWNER
DCSS Master Account	Provide funding for SDU disbursement transactions	<ul style="list-style-type: none"> • Daily in-bound funding wire • ZBA offsets • Investment sweep debits/credits • Investment income 	DCSS
DCSS Investment Account	Invest excess funds in the DCSS Master Account overnight in a State-approved investment	<ul style="list-style-type: none"> • Investment sweep debits/credits 	DCSS
Check Disbursement ZBA	Clearing for check disbursements	<ul style="list-style-type: none"> • Paid checks • Adjustment debits and credits • ZBA offset credits 	Xerox
ACH/EPC Disbursement ZBA	Origination and settlement of direct deposit transactions and ECP funding	<ul style="list-style-type: none"> • ACH debit equal to Daily Origination File • ZBA offset credits 	Xerox
ACH Return Item ZBA	Segregation of returned direct deposit and EPC funding transactions	<ul style="list-style-type: none"> • Return item credits • ZBA offset debits 	Xerox
EPC Account Held in Trust for the Benefit of Cardholders	Depository for EPC funds	<ul style="list-style-type: none"> • ACH credits • Returned item debits 	Xerox in trust for Cardholders

6.5 Establishing 3 Demand/Sweep Bank Accounts

During project implementation, three zero balance accounts (demand/sweep) were established and linked to a new DCSS Master Account within Wells Fargo Bank's demand deposit system. Each of the ZBA accounts was opened using Xerox's Tax Identification Number, designating

Xerox as the account owner. Account opening documentation and signature cards are maintained on file at the CA SDU. [SR3.1.1]

Effectively, each of the three ZBA automatically nets all debit and credit transactions at the end of each day. The net amount is then drawn down from (or transferred to) the DCSS Master Account. The final transaction in the banking structure is a debit to sweep balances from the DCSS Master Account and invest available funds overnight in a State-approved investment. This account structure is established in such a way that there is no offsetting fees for banking services.

A discussion of each ZBA and how it operates is provided in the following subsections.

6.5.1 Use of Demand/Sweep Bank Accounts

ZBA accounts are generally used to segregate disbursement types, providing ease of transaction reporting and reconciliation. The following three Xerox-owned ZBAs are established and linked to the State-owned DCSS Master Account:

- Check Disbursements
- ACH/EPC Disbursements
- Returned ACH and EPC Disbursements

Check Disbursements Account [SR3.1.1-1]. The Check Disbursements ZBA is a transactional account used for clearing check disbursements and any associated exception transactions.

Daily Positive Pay reconciliation services are provided, including acceptance of a file containing daily check issue data (and stops) and an on-line review and approval capability for Positive Pay exception transactions. To further support this daily reconciliation process, the bank provides a daily transmission of paid check data, including detailed records of negotiated checks posted the previous day and stopped and voided items.

All check paid images are archived and accessible online at the bank in addition to being transmitted daily to the CA SDU for inclusion in KidStar. The bank also supports the resolution of inquiries, adjustment-related issues, and exception transactions such as forgery recoveries (Ref.SR3.4.30).

Table 6-10 Paid Image Exceptions

STEP	PAID IMAGE EXCEPTIONS
1	Open Disbursement Image Maintenance in KidStar Financial Management.
2	Enter image date to search for unmatched images.
3	Enter correct check number associated with the image in "Find Disbursement to Associate to" and attach the image to the check record
4	Work all exception images included in the search results.

As a disbursement account requiring funding, this ZBA draws funds from the DCSS Master Account. Table 6-11 traces the flow of the banking activities and exchange of data with Wells Fargo Bank occurring after the CA SDU issues check disbursements.

Table 6-11 Check Disbursement ZBA

STEP	DAY	CHECK DISBURSMENT ZBA ACCOUNT MANAGEMENT
1	Day-1	A Positive Pay Issue File is sent to the bank daily containing detailed check issuance data including the check number, issue date, dollar amount, and payee name. Stopped and voided (i.e. undeliverable) transactions are also provided
2	Day-1	The daily issue data is added to the bank's accumulated Positive Pay issue register of outstanding checks
3	Day-1	As checks are presented for payment to the bank either at Wells Fargo Bank teller locations or through the bank clearing networks, the checks are systematically compared to the accumulated register to validate the check number, dollar amount, and payee name. Exceptions are repaired, returned, or presented to the CA SDU for review and approval.
4	Day-1	Throughout the day, files containing additional stop payments are sent to the bank to prevent check payment and to change the status of the affected check from "outstanding" to stopped" in the bank-held check register. A Confirmation File is returned to the CA SDU.
5	Day-2	A file of previous-day cleared checks is transmitted to the CA SDU and imported into the KidStar to update the status of check disbursements
6	Day-2	The CA SDU receives detailed paid check data in a Bank Administration Institute (BAI2) format for import into the KidStar reconciliation module. Reconciliation is performed and variances are tracked.
7	Day-2	A file of previous-day check images is transmitted to the CA SDU and imported into the KidStar database for subsequent research retrieval.
8	Month-end	Wells Fargo Bank performs an Account Reconciliation Program (ARP) service, reconciling the transactions posted to the Check Disbursement ZBA. The reconciliation package includes a suite of reports and the account bank statement.
9	Month-end	The CA SDU receives the ARP reconciliation from Well Fargo Bank.

ACH/EPC Disbursement Account [SR3.1.1-2]. The ACH/EPC Disbursement ZBA is used to post the aggregate amount of the direct deposit and EPC disbursement files. Wells Fargo Bank provides the CA SDU with a comprehensive ACH/EFT origination service including: electronic receipt of a daily NACHA File, transaction processing, return item and exception handling, and return item reporting thorough a daily file interface. All NACHA origination files are processed on a same-day basis with next-day settlement.

The ACH/EPC Disbursement Account is funded through a ZBA credit that is offset to the DCSS Master Account. Table 6-12 traces the flow of the banking activities and exchange of data with Wells Fargo Bank occurring after the CA SDU originates ACH direct deposit and EPC funding transactions.

Table 6-12 ACH/EPC Disbursement ZBA

STEP	DAY	ACH/EPC DISBURSMENT ACCOUNT MANAGEMENT
1	Day-1	An ACH Credit Origination File containing direct deposit and EPC funding transactions is sent to Wells Fargo Bank for origination through the Automated Clearing House (ACH) network.
2	Day-1	The ACH File is processed at Wells Fargo Bank on the same-day and distributed through the ACH network for next day settlement.
3	Day-2	The aggregate value of the Disbursement File is debited to the ACH/EPC Account on the settlement date and credited to participant bank accounts and EPC cardholder accounts.

STEP	DAY	ACH/EPC DISBURSMENT ACCOUNT MANAGEMENT
4	Day-2	The CA SDU receives detailed transaction data in a Bank Administration Institute (BAI2) format for import into the KidStar reconciliation module. Reconciliation is performed and variances are tracked.

ACH Returned Item Disbursement Account [SR3.1.1-3]. All ACH transactions originated from the ACH/EPC Disbursement ZBA and subsequently returned from the Receiving Depository Financial Institution (RDFI) are credit to the ACH Returned Item account. All funds are subsequently moved through a ZBA transfer to the DCSS Master Account as the final transaction of the day. Table 6-13 traces the flow of the banking activities and exchange of data with Wells Fargo Bank for returned ACH transactions. The ACH/EPC disbursement zero balance account and the ACH returned zero balanced account are reconciled to each other within KidStar on a daily basis.

Table 6-13 ACH Returned Item Disbursement ZBA

STEP	DAY	ACH RETURN ITEM ACCOUNT MANAGEMENT
1	Day-1	RFDI return payments for reasons such as a closed account within a 5-day window in compliance with National Automated Clearing House (NACHA) Operating Rules to the Originating Depository Financial Institution (ODFI), Wells Fargo Bank.
2	Day-1	Through an established service, Wells Fargo directs the returns associated with the transactions originated from the ACH/EPC Disbursement ZBA to the Ach Return Item ZBA account.
3	Day-1	The CA SDU receives a file of the returned transactions in a NACHA-formatted file and updates the status in the KidStar Disbursement Register.
4	Day-2	The CA SDU receives detailed transaction data in a Bank Administration Institute (BAI2) format for import into the KidStar reconciliation module. Reconciliation is performed and variances are tracked.
5	Day-2	The CA SDU accounting/reconciliation unit reconciles the returned item account to the ACH/EPC disbursement account on a daily basis.

Monthly Reconciliation: The CA SDU accounting/reconciliation staff will deliver the monthly bank account reconciliation to DCSS within five (5) business days following the close of the month [SR3.1.7]. The preparation of the monthly report involves receiving the end-of-month files from Wells Fargo Bank (the “bank”), ingesting them into KidStar and arraying the bank data against KidStar disbursement files (the “book”). The resulting “bank” to “book” reconciliation is displayed on the Monthly Reconciliation Worksheet. This Worksheet identifies the reconciling items that will be addressed by the CA SDU accounting/reconciliation staff.

To meet the five business day delivery timeframe, CA SDU accounting/reconciliation staff will prepare and email a draft Monthly Reconciliation Spreadsheet to DCSS Accounting on the fifth (5) business day. DCSS Accounting has until the beginning of the next month to review and comment on a draft of the Monthly Reconciliation Spreadsheet. Comments received from DCSS will be incorporated into the final Worksheet, then the accounting period will be closed, and the final report will be delivered to DCSS Accounting. It is expected that the Monthly Reconciliation Worksheet will be made available for viewing in the KidStar workspace after DCSS Accounting has approved the draft monthly reconciliation spreadsheet. (Note: the Monthly Reconciliation Worksheet report in an open draft status is not available for review until DCSS Accounting has approved the spreadsheets and at that time the worksheet is closed and available for viewing.

Next month's reconciliation cannot begin until prior months reconciliation has been approved and closed.) CA SDU accounting/reconciliation staff and DCSS Accounting will work together in their best efforts, if comments and reviews need to be extended past the five (5) business days.

Table 6-14 contains the high level procedures for the preparation of the Monthly Reconciliation Worksheet report.

Table 6-14 Monthly Reconciliation Worksheet Report

STEP	DAY	MONTHLY RECONCILIATION WORKSHEET REPORT
1	Month-end + Day 3	Monthly bank files received from Wells Fargo Bank
2	Month-end + Day 3	Bank files ingested into KidStar and populate "bank" side of reconciliation worksheet
3	Month-end + Day 3	KidStar monthly disbursement files populate "book" side of reconciliation worksheet
4	Month-end + Day 3-4	CA SDU accounting/reconciliation staff populates the worksheet and identifies reconciling (unreconciled) items
5	Month-end + Day 3-4	CA SDU accounting/reconciliation staff resolves reconciling items and provides a draft monthly reconciliation spreadsheet to DCSS Accounting
6	Month-end + Day 5	DCSS Accounting provides comments on draft report
7	Month-end + Day 5	CA SDU accounting/reconciliation staff reviews and addresses DCSS Accounting comments
8	Month-end + Day 5	CA SDU accounting/reconciliation staff closes accounting period and posts final reconciliation worksheet report to KidStar where it is available for viewing by DCSS Accounting

Note: "Day", as used in Table 6-14, constitutes a State business day.

6.6 Providing Online Read-only Banking Statement Access

Account balance and activity reporting is made available through Wells Fargo Bank's on-line reporting service called *Commercial Electronic Office(CEO)* to authorized individuals at the State and CA SDU (access will be provided to a minimum of 3 and maximum of 6 DCSS staff). Pre-established privileges grant users with access to designated account information. In addition to on-line viewing, the CA SDU automatically draws detailed transaction data on all accounts in a BAI2 format, supporting CA SDU account reconciliation processes. Table 6-15 provides the steps for accessing account information. [SR3.1.2]

Table 6-15 CEO Balance Reporting Access

STEP	ACCESSING ACCOUNT BALANCE AND TRANSACTION INFORMATION
1	Sign on to Wells Fargo CEO On-line Balance and Transaction Reporting Service with assigned ID and password
2	Access the report module for authorized accounts in view-only mode.


	01/14/20XX 03:05 PM ET CUSTOMER ID: WELLS OPERATOR ID: HENRY	HENRY WELLS, INC. Previous Day Composite Report As of 01/14/20XX	
	Commercial Electronic Office®	Treasury Information Reporting	
Currency: USD Bank: 073000228 Account: 12344		WELLS FARGO BANK, N.A. ABC Company	
Balances			
Closing Ledger Balance	31,692.00		
Closing Collected Balance	.00		
Opening Available Balance	190,510.68		
One Day Float	16,292.00		
Two+ Day Float	15,400.00		
MTD Average Closing Ledger Balance	20,531.15		
MTD Average Closing Collected Balance	.00		
Total Credits	16,892.16		
Total Debits	1,392.16		
Total Number Credits	2		
Total Number Debits	6		
Credit Transactions			
01/14/20XX	301 / COMMERCIAL DEPOSIT Cust Ref: 00000000000 Float- Zero Day: .00 One Day: .00 Two+ Day: 15,500.00	Credit Amount: Bank Ref: IA001738013593	15,500.00
01/14/20XX	347 / SWEEP PRINCIPAL SELL Cust Ref: 00000000000 SWEEP TRANSFER FROM INVESTMENT	Credit Amount: Bank Ref: IA022000000369	1,392.16
Credit Total		Credit Amount:	16,892.16
Debit Transactions			
01/14/20XX	475 / CHECK PAID Cust Ref: 00000011143	Credit Amount: Bank Ref: IA001028322840	930.00
01/14/20XX	475 / CHECK PAID Cust Ref: 00000011144	Credit Amount: Bank Ref: IA001221471055	219.24
01/14/20XX	475 / CHECK PAID Cust Ref: 00000011136	Credit Amount: Bank Ref: IA001028319421	71.64
01/14/20XX	475 / CHECK PAID Cust Ref: 00000011148	Credit Amount: Bank Ref: IA001322198960	42.90
01/14/20XX	475 / CHECK PAID Cust Ref: 00000011133	Credit Amount: Bank Ref: IA000922298500	8.28
CHECK PAID TOTAL		Debit Amount:	1,272.06

Figure 6-2 Sample Wells Fargo CEO Information Report

6.7 Creating/Maintaining a Daily Disbursement Register

There are effectively two daily disbursement registers: one maintained in KidStar and one maintained at Wells Fargo Bank. The register within KidStar includes paper check and ACH transactions, while the register at Wells Fargo Bank is maintained as a part of the Positive Pay process solely for paper checks issued against the Check Disbursement ZBA. [SR3.4.7]

During the system design and development phase of the project, KidStar functionality was architected to support the creation and maintenance of the Daily Disbursement Register for the CA SDU. The KidStar database is comprised of the accumulated disbursements of the CA SDU which are contributed to daily through the CSE DINT File and subsequent actions such as voids for undeliverable checks.

As disbursements move through the KidStar system, they are assigned a number of status codes as well as reason codes. A single disbursement record can have many states in its lifecycle, and be exported multiple times to various system(s), each time with a different status (i.e. issued or stopped). To accommodate this, a status for each disbursement record is maintained, tracking the date and time of each status change and to allow access to a record's complete status history. Table 6-16 provides a list of the disbursement statuses.

Table 6-16 Disbursement Statuses

CSE DISBURSMENT METHOD	CSE STATUS	KIDSTAR DISBURSEMENT TYPE	DISBURSEMENT STATUS	DESCRIPTION
CHK	DELETED	CHECK	CHECK DELETED	Deleted
CHK	ISSUED	CHECK	CHECK ORIGINATED	Originated
CHK	REJECTED	CHECK	REJECTED	Rejected
CHK	PAID	CHECK	PAID	Paid
CHK	STALE-DATED	CHECK	STALE	Staled
CHK	STOPPED	CHECK	STOPPED	Stopped
CHK	VOID	CHECK	VOIDED	Voided
ACH	DELETED	EFT	ACH DELETED	Deleted
ACH	ISSUED	EFT	ACH ORIGINATED	Originated
ACH	REJECTED	EFT	REJECTED	Rejected
ACH	ACH RETURNED	EFT	ACH RETURNED	Returned
ACH	ACH RETURNED	EFT	ACH REVERSED	Reversal
EPC	DELETED	E-DISBURSEMENT	EPC DELETED	Deleted
EPC	ISSUED	E-DISBURSEMENT	EPC ORIGINATED	Originated
EPC	REJECTED	E-DISBURSEMENT	REJECTED	Rejected
EPC	ACH RETURNED	E-DISBURSEMENT	EPC RETURNED	Returned
EPC	ACH RETURNED	E-DISBURSEMENT	EPC REVERSED	REVERSAL
Internal KidStar Status				
		CHECK	INGESTED	Initial status after DINT ingest
		CHECK	DELETE PENDING	Pulled check awaiting OPEN SCAN
		CHECK	STOP PENDING	Stop requested pending stop acknowledgement
		EFT	INGESTED	Initial status after DINT
		EFT	DELETE PENDING	Deleted ACH awaiting Open Scan
		EFT	ACH POSTED	Before ACH sent to bank
		EDISB	INGESTED	Initial status after DINT
		EDISB	DELETE PENDING	Deleted ACH Awaiting Open Scan
		EDISB	EPC POSTED	Before EPC sent to bank

CSE DISBURSEMENT METHOD	CSE STATUS	KIDSTAR DISBURSEMENT TYPE	DISBURSEMENT STATUS	DESCRIPTION
		CHECK	POSITIVE PAY EXCEPTION	Status not used
		CHECK	CHECK POSTED	Status not used
		CHECK	REPLACED	Status not used
		CHECK	SENT TO PRINTER	Status not used
		CHECK	VOID PAID	Status not used
		CHECK	DELETE PAID	Status not used
		CHECK	STALE PAID	Status not used
		CHECK	STOP PAID	Status not used
		CHECK	VOID PENDING	Status not used
		CHECK	STALE PENDING	Status not used

Wells Fargo Bank maintains a register for the Check Disbursement ZBA which is continually updated through daily transmission of the Positive Pay Issue File and other transaction files such as those supporting exception activities, including stop payments and voids. This bank-held register is an essential element of the monthly Account Reconciliation Program (ARP) reconciliation.

6.7.1 Contents of Daily Disbursement Register

The Daily KidStar Disbursement Register contains the following detailed information for each record:

- **Check or Transaction Number.** Each check issued is assigned a unique check number that corresponds to the check number printed in magnetic ink on the bottom of the check and in the upper right corner of the check. ACH and EPC transactions are also assigned unique transaction (“check”) numbers. These identifying numbers are permanently associated with the designated transaction and conform to the ranges presented in Table 6-17. [SR3.4.7.1]

Table 6-17 Check and Transaction Number Ranges

DISBURSEMENT METHOD	FROM RANGE	TO RANGE
CHECK	3000000000	3999999999
ACH	6000000000	6999999999
EPC	4000000000	4999999999

- **Date Issued.** The issue data for check disbursements corresponds to the date on which the DINT File is received and subsequently process (Disbursement Process Date) by KidStar. For ACH and EPC transactions, KidStar assigns the ACH effective date to the next business date from the current Disbursement Process Date. [SR3.4.7. 2]
- **Amount Issued.** The amount of each transaction is provided in the DINT File which is reconciled to the amount of the records issued and retained KidStar’s database. [SR3.4.7. 3].
- **CSE Participant ID.** The Participant ID for each transaction is provided in the DINT File and imported into the KidStar’s database. [SR3.4.7. 4]

- **Payee Name.** The Payee Name for each transaction is provided in the DINT File and imported into KidStar's database. [SR3.4.7 .5]

6.8 Accounting for Checks and electronic Disbursements in Disbursement Register

The KidStar database is comprehensive, including detailed records with associated historical statuses for both check and electronic disbursements. [SR3.4.8] The Disbursement Register accounts for the following transaction types for checks and electronic disbursements:

- **Voided.** These are checks in the possession of the CA SDU or the State that are either undeliverable, stale-dated, or otherwise deemed non-negotiable. These items are processed in KidStar and the disbursement status is updated from issued to void. [SR3.4.8 1] This category includes disbursed checks that have exceeded the stale date limit.
- **Canceled.** A cancelled disbursement is a disbursement received in the DINT file that cannot be processed in KidStar due to a specification error or because it has more than 10 details associated with it. These disbursements are reported as "rejected".
- **Paid.** A daily file of paid checks is received from Wells Fargo Bank and ingested into and processed by KidStar. Once validated the information provides the basis for updating the payment status of a check. For ACH transactions, the effective date is used to indicate the paid status. All returned ACH transactions (i.e. account closed) are received in a daily file transmitted by Wells Fargo Bank and used to update the status of the ACH disbursement record. [SR3.4.8 3]
- **Stopped.** An internet browser-based application is provided to DCSS and LCSA users to request stop payments for payments issued and not cashed or in the possession of the CA SDU. Files containing stop requests are transmitted throughout the day to Wells Fargo Bank. The Disbursement Register status is updated by KidStar according to the transaction lifecycle—from ingested, to printed, to stop requested, stop pending, and then stopped. [SR3.4.8 4]
- **Deleted.** An internet browser-based application is provided to DCSS and LCSA users to request deletes for payment instruction ingested but not yet released. Once submitted and processed, KidStar changes the status of the payment to delete. [SR3.4.8 5] This category includes "canceled" EFT disbursements.

6.9 Availability of Disbursement Register for Inspection

DCSS authorized individuals are provided with on-line access into KidStar workspace to view the Disbursement Register. This interface is available at all times that KidStar is available. [SR3.4.9]

The paid check images are also provided online through the same interface. The paid check images are downloaded from the bank and imported into KidStar. The user accesses all disbursement images in the same fashion regardless of the source. For example, the paid check images are imported from the bank daily and the voided check images are imported daily from OPEN SCAN. The images from both sources are presented to the user in the same manner.

[SR5.5.4] The data and images are available online for the duration of the contract. There is no need to request image restoration.

The steps for accessing the Disbursement Register are listed in Table 6-18.

Table 6-18 Disbursement Register Access

STEP	ACTIONS
1	Access KidStar
2	Go to Customer Service/Customer Service Queries/Search Disbursement History This functionality allows for searching on a wide variety of criteria
3	Enter information into the search field criteria and hit Search Information is displayed as a result, such as: <ul style="list-style-type: none"> • Check Issued Date • Disbursement Number, Type, Status and Amount • CSE participant ID • Payee Name, SSN and Current Address • Payee SSN • Disbursement Adjustment History • Disbursement Status History
4	Items underlined in blue are hyperlinks which when selected will display either image(s) or additional information depending upon the field selected. Images appear in the KidStar image viewer where they can be viewed or printed.

6.10 Associated SOWs

Table 6-19 Associated SOWs

SOW#	CATEGORY	SUBCATEGORY	REQUIREMENT TEXT	SOURCE REFERENCE
SR3.1.1	DB - Disbursements	BKG - Banking	The SP shall establish 3 demand/sweep bank accounts with no offsetting of fees, at any CTS bank. The accounts are to be used for: 1) Check disbursements 2) ACH and EPC disbursements 3) Returned ACH and EPC disbursements	Project Charter, Goal Set 9
SR3.1.2	DB - Disbursements	BKG - Banking	The SP shall provide on-line read-only banking statement access to all SP-owned disbursement accounts to a minimum of 3 and maximum of 6 DCSS staff.	Project Charter, Goal Set 9
SR3.1.3	DB - Disbursements	BKG - Banking	The SP shall internally reconcile transactions at the following disbursement processing points: 1) After receiving instructions to disburse payments 2) Conclusion of disbursement batch processing 3) Prior to transmitting results of executing disbursement instructions to CSE The SP shall report all unreconciled disbursement processing points to a DCSS-designated e-mail address within one hour of identification.	AT 97-13, Answer 1 Derived DCL 03-17, Guide for Auditing State Disbursement Units June 2003
SR3.1.4	DB - Disbursements	BKG - Banking	The SP shall reconcile all disbursement bank accounts daily and monthly and report all unreconciled items to a DCSS-designated e-mail address within one hour of identification.	Derived DCL 03-17, Guide for Auditing State Disbursement Units, June 2003

SOW#	CATEGORY	SUBCATEGORY	REQUIREMENT TEXT	SOURCE REFERENCE
SR3.1.7	DB - Disbursements	BKG - Banking	The SP shall provide copies of all bank account monthly reconciliations to DCSS within 5 business days after the end of the month.	Derived DCL 03-17, Guide for Auditing State Disbursement Units, June 2003
SR3.4.9	DB - Disbursements	GEN - General	The SP's Disbursement Register shall be available to DCSS for inspection immediately upon request.	Project Charter, Goal Set 9
SR3.4.10	DB - Disbursements	GEN - General	The SP shall reconcile the daily disbursement amount against the CSE daily disbursement instructions received.	AT 97-13, Derived DCL 03-17, Guide for Auditing State Disbursement Units, June 2003
SR3.4.30	DB - Disbursements	GEN - General	The SP shall have a process to investigate and attempt recovery of fraudulently redeemed funds as defined in the SDU Disbursement Processes and Procedures (CDL DB 001).	Derived DCL 03-17, Guide for Auditing State Disbursement Units, June 2003
SR3.4.7	DB - Disbursements	GEN - General	The SP shall create and maintain a Disbursement Register daily. The Disbursement Register shall include, but is not limited to: 1) Check or transaction number 2) Date issued 3) Amount issued 4) CSE participant ID 5) Payee name.	Derived AT 97-13, Answer 1 Derived DCL 03-17, Guide for Auditing State Disbursement Units June 2003
SR3.4.8	DB - Disbursements	GEN - General	The SP's Disbursement Register shall account for checks and electronic disbursements that are: 1) Voided 2) Canceled 3) Paid 4) Stopped 5) Deleted.	Project Charter, Goal Set 5
SR5.5.4	OP- Operations	IMG-Imaging	The SP shall image cashed disbursement checks.	Derived DCL 03-17, Guide for Auditing State Disbursement Units June 2003

7 CAPTURING, MAINTAINING, AND VIEWING DISBURSEMENT DATA

All data as supplied by the daily DINT file process and modified or flagged during daily processing is stored in the KidStar database and can be viewed through the Customer Service Query module. The processing of disbursements instructions supplied by CSE and the associated processes performed on these instructions by KidStar and its subsystems are considerable. The inputs and outputs of disbursements instructions processing are discussed in throughout this document. (SR3.4.5)

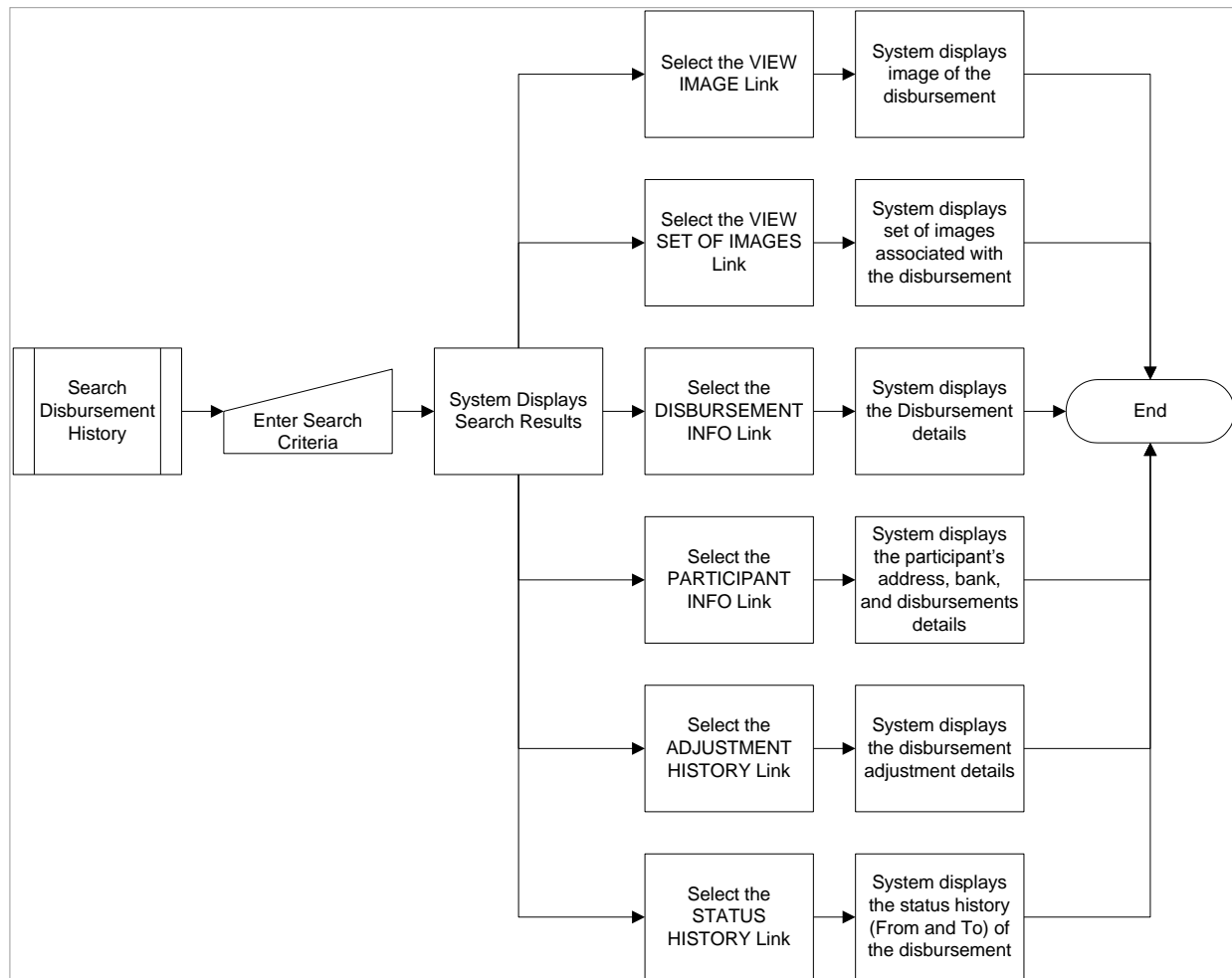


Figure 7-1 Search Disbursement History Workflow

7.1 Capturing and Maintaining Disbursement Data

KidStar captures and maintains the data in the DINT, DORI, DREJ, DDET, DSTA and Paid Check Images File. That data includes, but is not limited to: [SR3.4.5]

- Obligee Name
- Check number or other electronic tracking number
- Status:
 - ACH return
 - Deleted
 - EPC rejected
 - EPC return
 - Stale
 - Pending disbursement
 - Paid
 - Void
 - Stop
- Date of disbursement status
- Payee Name
- Payee Address
- Payee – CSE Participant ID Number
- Payee – SSN
- Payee – Account Routing Number
- Payee – DDA Number
- Disbursement ID
- Date disbursement instruction received
- Date disbursement issued
- Amount disbursed
- Disbursement method
- Template indicator
- Disbursement account type
- Physical collection ID
- Logical collection ID
- Date of collection
- Logical collection payment source
- Case type
- Obligor Name
- CSE Case Number

7.2 Providing Online Access to Search and Retrieve Disbursement Data and Images

Through the KidStar Launch Pad, Customer Service Query function, Xerox will provide authorized DCSS and LCSA users with online access to search and retrieve disbursement data and images using one or more search criteria as agreed upon by DCSS and Xerox, including but not limited to the following data elements:. [SR3.4.6]

- Disbursement:
 - disbursement amount
 - logical collection ID
 - disbursement ID
 - disbursement check number or other electronic tracking number
- Payee:
 - payee participant ID
 - payee last name, first name
 - payee last name
 - payee SSN
- Date:
 - range, b) equal to, c) greater than
- Disbursement Status:
 - ACH return
 - deleted
 - electronic pay card disbursement rejection
 - pay card return
 - stale
 - pending disbursement
 - paid
 - void
 - stop

KidStar is accessed by State and LCSA users through the Launch Pad, which is accessible through the CA O-Tech network.

3. Search Disbursement

Enter one or more search criteria below and click Search to locate disbursements.

Process Date:	<input type="text"/>	To: <input type="text"/>	Payee Participant ID:	<input type="text"/>	%_ok
Check Date:	<input type="text"/>	To: <input type="text"/>	Payee Last Name:	<input type="text"/>	%_ok
Status Date:	<input type="text"/>	To: <input type="text"/>	Payee First Name:	<input type="text"/>	%_ok
Disbursement Amount:	<input type="text"/>		Payee SSN:	<input type="text"/>	
CSE Disbursement ID:	<input type="text"/>		Logical Collection ID:	<input type="text"/>	
Disbursement Check #:	<input type="text"/>	%_ok	Disbursement Type:	ALL <input type="button" value="v"/>	
Trace Number:	<input type="text"/>		Disbursement Trans:	ALL <input type="button" value="v"/>	
Disbursement Status:	ALL <input type="button" value="v"/>				

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Figure 7-2 Search Disbursement History Screen

By inter-relating the queries with links, the user can drill-down into the research data to obtain the information needed. This includes being able to view the images of the paid checks and payments when choosing Search Disbursements.

Images	Process Date	Check Date	CSE Disbursement ID	Disbursement Check Number	Trace Number	Disbursement Amount	Payee Participant ID	Payee Name	Payee SSN	Disbursement Type	Disbursement Transaction Type	Disbursement Status	Disbursement Status Date
View Image	03/01/2013	03/01/2013	2066362726	3004857450		\$175.00				Check	Non-interstate	Check Originated	03/01/2013
View Image	01/31/2013	01/31/2013	2065197748	3004527293		\$175.00				Check	Non-interstate	Paid	02/08/2013
View Image	12/24/2012	12/24/2012	2063691174	3004116082		\$175.00				Check	Non-interstate	Paid	01/09/2013
View Image	11/27/2012	11/27/2012	2062594377	3003802916		\$175.00				Check	Non-interstate	Paid	12/05/2012
View Image	10/30/2012	10/30/2012	2061546904	3003505350		\$175.00				Check	Non-interstate	Paid	11/07/2012
View Image	10/02/2012	10/02/2012	2060420609	3003168857		\$150.00				Check	Non-interstate	Paid	10/11/2012
View Image	09/05/2012	09/05/2012	2059311838	3002848416		\$175.00				Check	Non-interstate	Paid	09/19/2012
View Image	07/31/2012	07/31/2012	2057940410	3002464510		\$175.00				Check	Non-interstate	Paid	08/08/2012
View Image	07/02/2012	07/02/2012	2056774000	3002141560		\$175.00				Check	Non-interstate	Paid	07/20/2012

Figure 7-3 Disbursements Query Results

7.3 Allowing Wildcard Searches

To enable faster queries, wildcards and combinations are automatically recognized so the user can focus on the information at hand and the results desired, rather than attempting to create an optimal query. Wildcard searches are performed by using the “%” sign either in place of, or before or after partial data for a particular field. One search field must have an actual value without a wildcard for the query to be able to be performed. [SR3.4.14]

7.3.1 Performing Customer Service Queries

The KidStar Launch Pad, Customer Service Query application allows the user to search the KidStar tables based on the information sought. The general search procedures are the same regardless of the query option selected. At least one criterion must be selected, while additional criteria or wildcard entries will narrow the results and speed up the search process. Any cell that contains a hyper link will navigate the user to the associated images or information.

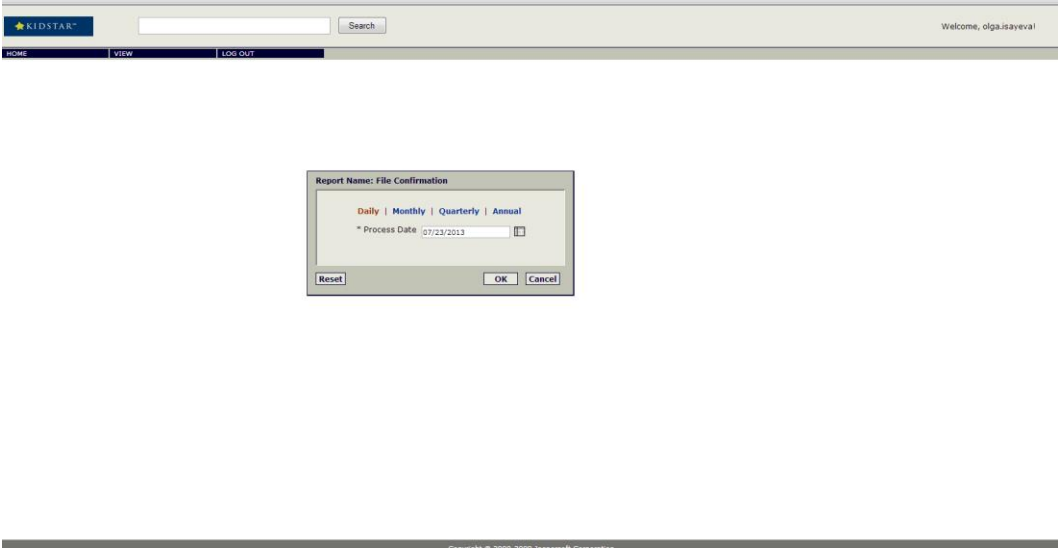
Table 7-1 Procedure 2.7-5 View Disbursements in KidStar

STEP	PROCEDURE 2.7-5 VIEW DISBURSEMENTS IN KIDSTAR
1	Logon to KidStar and choose Customer Service, Search Disbursement
2	Input at least a date or date range and one other search criteria (wildcard acceptable) to begin the search.
3	Search Results Returned displays possible results, user must select a hyper link to view detail of the disbursement and the associated images
4	User may print any or all images from the displayed result.

7.4 Reporting Disbursement Activities Based On Actual CA SDU Transactions/Data

The KidStar Jasper Reports application uses actual disbursement data generated and stored within the KidStar Transaction Space and Workspace to compile disbursement reports. The content of the Disbursement Reports within KidStar are described in detail in OPS001 SDU Operations Management Plan, Appendix A. Descriptions of the various reports are included in Appendix B. [SR6.2.4]

Table 7-2 Procedure 2.6-5 Generate and Maintain Reports in KidStar

STEP	PROCEDURE 2.6-5 GENERATE AND MAINTAIN REPORTS IN KIDSTAR
1	Choose Reports from the Launch Pad.
2	Choose "View" and enter User ID and Password.
3	<p>Select report, enter parameters as required, and choose "OK". NOTE: parameters are defined by the report data and may be different for different reports.</p> 
4	System displays designated report.

7.4.1 Disbursement Related Reports

A number of disbursement reports will be generated for DCSS and the CA SDU. A full list of reports and their frequency is displayed in Table 7-3. In addition, a description and example of each report is included in Appendix B.

Disbursement Instruction Reports “Draft Confirmation” is available in Kidstar by 12:00 noon Pacific Time each State business day. [SR6.2.16, SR6.2.17, SR6.2.18, SR6.2.19]

Table 7-3 Disbursement Related Reports

REPORT #	REPORT NAME	DESCRIPTION	D	M	Q	A	ON DEMAND
RCD414	EPC Activity Report – Detail/Summary	Provides data regarding EPC disbursement activity. Defined in DB-001.		X	X	X	X
RCD415	1000 - File Confirmation	Summary of the total number of rejected, electronic disbursements, number of disbursements issued by type and total dollar amount.	X	X	X	X	X
RCD416	1200 - Transaction Confirmation	Compares the rejects to the total number of transactions.	X	X	X	X	X
RCD417	2200 - Delete Request Transaction confirmation	Provides the number and dollar amount of deletes requested and processed.	X	X	X	X	X
RCD419	3250 - Draft Confirmation	Confirms the analysis of disbursements and is used by management to review the percentage of electronic disbursements.	X	X	X	X	X
RCD420	4200 - Stop Request Transaction Confirmation	Provides the number and dollar amount of stop payment requests received and processed.	X	X	X	X	X
RCD421	5100 - Disbursement Status Analysis -	Provides the total number and dollar amount of Paid, Stop, Void, Reissue, Stale, ACH Return, Pay Card Return, and escheated disbursements.	X	X	X	X	X
RCD435/ST003	CSE Disbursement Report	The SP shall email an unsigned copy of the CSE Disbursement Report to DCSS as soon as it is available, and fax a signed copy of the Report to DCSS by 1:00 P.M. Pacific Time each business day.	X				X
RCD439	Disbursement Balancing	Provides a report of the Print File for check print operations and ACH submission. (filters by disbursement method)	X	X			X

Disbursement reports in Table 7-3 are available on demand. This means that the data for these reports is extractable in report format at any time, and can be accessed “on demand”. EPC Activity Report Details and Summary will be emailed on the first business day of the month when it’s due.

7.5 Fraud Prevention Measures

Check and ACH disbursement activities occur across several functional areas. Each area has specific controls and measures to ensure the highest level of security for the assigned tasks. To protect against fraud or misuse of the disbursement process, a strict segregation of disbursement duties is maintained. Staff responsible for disbursement issuance is separated from individuals with data entry and accounting functions.

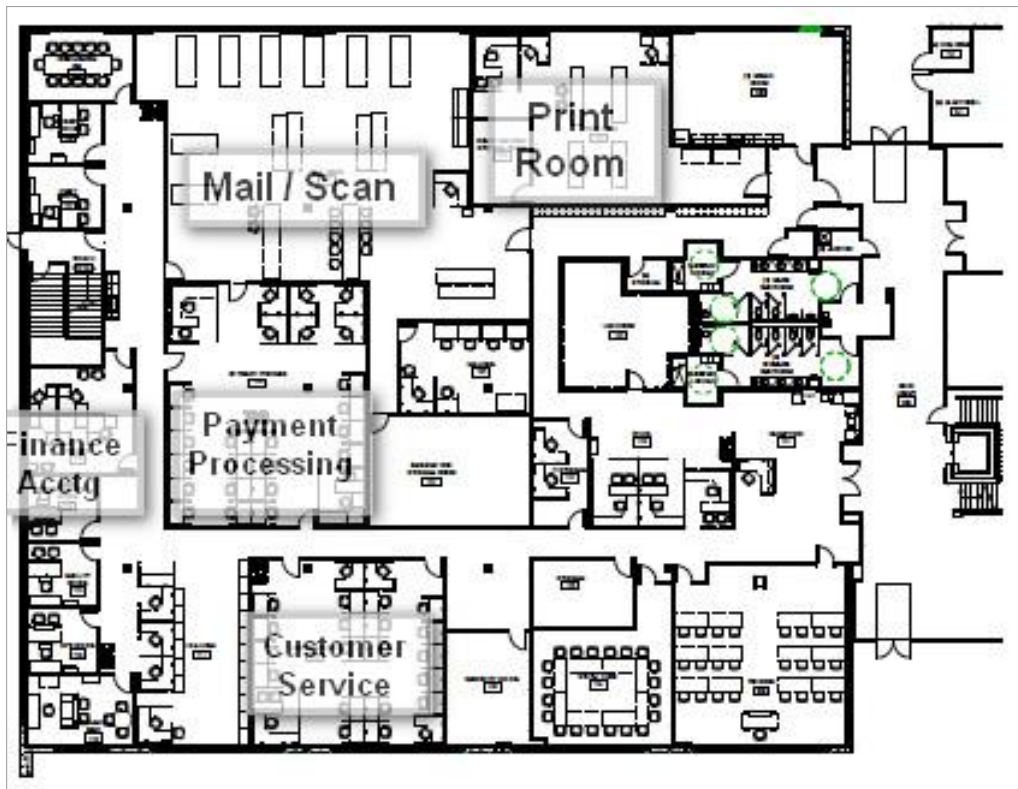


Figure 7-4 CA SDU Floor Plan

Beginning with the CSE DINT File and verification process, checks and balances are incorporated at critical points in the disbursement function, ensuring that only those checks and ACH transactions presented on the daily DINT File (less deleted items) are issued. Further, the KidStar system has built-in controls that require proper authorization. Access to disbursement applications is strictly controlled through IDs and passwords specifically assigned to authorized individuals. Each access to the system is systematically logged, which establishes an audit trail of all disbursement activities performed by our staff. User level authority and system sign-on controls limit and separate operator functions.

To secure check printing operations, the disbursement function resides in a physically separate, completely secure area within the CA SDU facility. Access to check printing operations is limited to authorized personnel only. State-of-the-art camera surveillance equipment ensures that check printing activity is captured each day. Authorized staff members are prohibited from bringing personal items into any disbursement processing area. Check stock includes security features such as water marks and void features that are revealed when photocopied, as well as a unique control (serial) number located on the back of each check. The reverse side of the remittance advice section of the check stock is pre-printed as Non-Negotiable. Other than the security features, check stock is blank until printed with the appropriate template and payee information. The Positive Pay process is used to ensure only authorized checks are paid by Wells Fargo Bank.



Figure 7-5 Sample Check Stock

1. **Void Features:** Checks contain multiple pantograph check designs on the check, signature area and amount line that include an intricate security design feature which produces a series of Voids if the checks are processed through a single or a full color copier. The multiple pantographs produce the Voids through various settings on the copier.
2. **Signature Area and Amount Line:** The signature area and amount line are printed with different backgrounds from the remainder of the check, intended to produce patterns and Voids through varying copier settings.
3. **Micro Printing:** The line borders on the check and the endorsement are micro printed with SAFE CHECK, and can only be seen when magnified
4. **Watermark:** All check stock contains an integrated watermark that is only visible when held to light, and cannot be photocopied.
5. **New color:** To differentiate checks produced under the current contract, check stock is pre-printed with a blue background.
6. **Bar code:** Xerox will utilize a 3/9 barcode on the advice portion of checks, on the left side of the document, and a six-digit document number. The inserter equipment reads this barcode to:
 - Determine how many sheets to insert into each envelope, and ensures only that the correct number is inserted
 - Allow for selectable and intelligent insertion of additional pages, including return envelopes, when applicable

In instances of fraudulently cashed checks, Xerox relies on Wells Fargo's comprehensive fraud recovery procedures. The following subsections discuss these essential fraud prevention measures.

7.6 Utilizing a ‘Positive Pay’ Tool For the Disbursement Bank Account

Positive Pay services are provided by Wells Fargo Bank for the Check Disbursement ZBA, enabling daily reconciliation of paid check activity [SR3.1.8]. With this service, Wells Fargo Bank verifies and pays only checks if the check number, payee and amount validate against the accumulated Positive Pay data transmitted to the bank by the CA SDU. If the check fails to validate it is referred to as Positive Pay exception. Positive Pay exceptions are reported to the CA SDU each day through an online interface accessed by an authorized member of the CA SDU accounting/reconciliation staff. To assist in the research function, an image of the front and back of each exception check is viewed online to verify the item. Based on a set of business rules, the item can either be authorized for payment or returned through the banking system. The CA SDU accounting/reconciliation staff will provide the designated DCSS person via email with the rejected Positive Pay items on the day they are received from the bank. [SR 3.1.8]

7.6.1 Positive Pay Issue Register

A daily file (ICD 1375) containing issued check data is transmitted to Wells Fargo Bank. This data is added to the Positive Pay register maintained by the bank. The accumulated data in the file includes issued, voided, and stopped checks.

7.6.2 Positive Pay Exception Disposition

All Positive Pay Exception transactions presented are automatically refused payment and returned by the bank. In the morning of each business day, the bank provides reporting of all other Positive Pay exceptions for review and disposition. The bank performs upfront cleansing of the exceptions, for this reason very few exceptions require disposition by the CA SDU. The following table provides the steps required to review, make a determination of the issues and take the appropriate action on each positive pay exception. Items returned due to the exception type of “Payee Name” results in a paid status in KidStar and outstanding on the bank side. Items returned due to “Payee Name” are reported to DCSS designated email address daily.

Table 7-4 Positive Pay Exception Disposition

STEP	POSITIVE PAY EXCEPTION DISPOSITION
1	Access the Positive Pay module of Wells Fargo’s CEO on-line reporting system
2	Review list of Positive Pay exception items
3	Obtain images of the front and back of each paid exception
4	Research each item in KidStar, verify check number, issue date, payee name, dollar amount and review the check security features on the front and back of the check.
5	Verify all exception items have been researched and appropriate notes have been attached to the original transaction
6	Based on research, make a determination to pay or no-pay the check and present determination for supervisory review
7	Using the automated functionality of the bank’s on-line system, either authorize payment or reject the check for return by the Wells Fargo to the “bank of first deposit”.
8	Items returned unpaid due to the exception type “payee name” will be reported to DCSS designated email address

7.7 Investigating and Attempting Recovery of Fraudulently Redeemed Funds

There are generally two types of fraudulently cashed checks: those that are altered and those that are redeemed by someone other than the intended payee. Most altered checks are identified by the Positive Pay service provided by Wells Fargo Bank and returned through the banking system. Altered items not caught and intended payees that have not received their funds initiate the investigation and recovery processes.

In instances where a check has been fraudulently cashed by an individual other than the intended payee, or the check has been altered, banking procedures requires a notarized affidavit from the intended payee stating that the endorsement on the back of the fraudulently cashed check was not that of the payee. When this occurs, the intended payee will contact LCSA's or DCSS about fraudulently cashed checks and will send the completed affidavits to the DCSS Office of Payment Management & Intergovernmental Services Unit for processing with Wells Fargo (see Table 7-5 for process to submit a fraud claim). Once a notarized affidavit is provided to the DCSS Office of Payment Management & Intergovernmental Services Unit, it is recorded and then forwarded to Wells Fargo Bank for further processing.

Wells Fargo Bank's check recovery unit processes and monitors recoupment of fraudulent items. The bank handles all communication and fund recovery activity with the bank of first deposit. Recovered funds from fraudulently cashed checks are promptly credited to the Fraudulent Check Recovery Account and a notification is made to DCSS. The following table provides the necessary steps to accomplish this function. [SR3.4.30]

Table 7-5 Fraudulently Cashed Check Disbursement Recovery

STEP	FRAUDULENTLY CASHED CHECK DISBURSEMENT RECOVERY
1	DCSS will determine if the check has been cashed by accessing KidStar and print a standard instructional letter and a copy of the front and back of the check
2	DCSS will send the Payee a Wells Fargo Affidavit of Check Fraud form for Altered checks or Affidavit of Check Fraud Forged Endorsements form for endorsement forgery (hard or soft copy), along with a copy of the front and back of the paid check.
3	DCSS will instruct the Payee to complete and return the form. Inform the Payee that a new disbursement is dependent on recovering the funds.
4	If the form is not returned with the established timeframe, follow-up with the Payee to determine the status.
5	DCSS Office of Payment Management & Intergovernmental Services will receive the completed forms and record in a fraud claim tracking log. The fraud claim tracking log is emailed to the designated email address at Wells Fargo, CA SDU accounting/reconciliation and DCSS accounting for forged endorsement claims that will be submitted to Wells Fargo and affidavit of check fraud. Altered claims will be mailed to CA SDU accounting /reconciliation staff for further processing.
6	Affidavits for check fraud forged endorsements - DCSS Office of Payment Management & Intergovernmental Services will send all Affidavit of Check Fraud Forged Endorsement Claim Forms to Wells Fargo for processing: Wells Fargo Treasury Management Fraud Operations 3440 Walnut Avenue Building A MAC: A0246 02B Fremont, CA 94538
7	Affidavits of check fraud for altered checks – DCSS Office of Payment Management & Intergovernmental Services will send check fraud for altered checks to CA SDU accounting/reconciliation staff. CA SDU accounting/reconciliation staff will route the altered claim form(s) to the bank account signer to notarize and send to the fraud claim department.

STEP	FRAUDULENTLY CASHED CHECK DISBURSEMENT RECOVERY
8	Wells Fargo: Upon receipt of the fraud claim packages Wells Fargo will send the CA SDU accounting/finance staff an acknowledgement letter indicating the fraud claim has been received. CA SDU accounting/finance staff will forward the acknowledgement letters to the designated email distribution list upon receipt.
9	If the claim is denied by the bank of first deposit: Wells Fargo will send CA SDU accounting/reconciliation staff a fraud claim resolution letter along with the documentation from the bank of first deposit. CA SDU will notify DCSS via email with a copy of the documentation received from the bank of first deposit DCSS will send a notification to the payee.
10	If the claim is recovered by the bank of first deposit: Wells Fargo will send CA SDU accounting/reconciliation staff a fraud claim resolution letter indicating the funds have been recovered. CA SDU accounting/reconciliation staff will notify DCSS via email the resolution letter indicating a credit will be posted to the fraud recovery account owned by DCSS.
11	CA SDU will monitor the aging of outstanding fraudulent check claims and follow-up with Wells Fargo Bank, as necessary

Once funds are recovered from the bank of first deposit, they are deposited into DCSS' Fraud Recovery Account at Wells Fargo Bank and notification is made to a designated individual at DCSS [SR3.4.31].

7.8 Associated SOWs

Table 7-6 Associated SOWs

SOW#	CATEGORY	SUBCATEGORY	REQUIREMENT TEXT	SOURCE REFERENCE
SR3.4.5	DB-Disbursements	GEN – General	<p>The SP shall capture and maintain disbursement data that shall include, but not be limited to:</p> <ol style="list-style-type: none"> 1) Obligor Name 2) Check number or other electronic tracking number 3) Status <ol style="list-style-type: none"> a) ACH return b) Deleted c) EPC rejected d) EPC return e) Stale f) Pending disbursement g) Paid h) Void i) Stop 4) Date of disbursement status 5) Payee Name 6) Payee Address 7) Payee - CSE Participant ID Number 8) Payee - SSN 9) Payee - Account Routing Number 10) Payee - DDA Number 11) Disbursement ID 12) Date disbursement instruction received 13) Date disbursement issued 14) Amount disbursed 	ACF F-5(C)

SOW#	CATEGORY	SUBCATEGORY	REQUIREMENT TEXT	SOURCE REFERENCE
			15) Disbursement method 16) Template indicator 17) Disbursement account type 18) Physical collection ID 19) Logical collection ID 20) Date of collection 21) Logical collection payment source 22) Case type 23) Obligor Name 24) CSE Case Number	
SR3.4.6	DB-Disbursements	GEN – General	The SP shall provide authorized State users with online access to search and retrieve disbursement data and images using one or more search criteria as agreed upon by DCSS and the SP, including but not limited to: 1) Disbursement a) Disbursement amount b) Logical collection ID c) Disbursement ID d) Disbursement check number or other electronic tracking number 2) Payee a) Payee participant ID b) Payee last name, first name c) Payee last name d) Payee SSN 3) Date a) Range b) Equal to c) Greater than 4) Disbursement Status a) ACH return b) Deleted c) Electronic pay card disbursement rejection d) Pay card return e) Stale f) Pending disbursement g) Paid h) Void i) Stop	ACF F-5(C)
SR6.2.4	RL - Reports and Logs	REP - Reports	The SP shall report disbursement activities based on actual SDU transactions and data and not derive reporting data based on CSE transactions received.	Project Charter, Goal Set 5
SR3.1.8	DB - Disbursements	BKG - Banking	The SP shall utilize a 'Positive Pay' tool for the disbursement bank account used for issuing check disbursements.	Project Charter, Goal Set 9
SR3.4.30	DB - Disbursements	GEN - General	The SP shall have a process to investigate and attempt recovery of fraudulently redeemed funds as defined in the SDU Disbursement Processes and Procedures (CDL DB 001).	Derived DCL 03-17, Guide for Auditing State Disbursement Units, June 2003
SR3.4.31	DB –	GEN – General	The SP shall deposit fraudulent transaction recovery funds, whenever received, in a State-	Project Charter, Goal Set 9

DB001 - SDU Disbursement Processes and Procedures

SOW#	CATEGORY	SUBCATEGORY	REQUIREMENT TEXT	SOURCE REFERENCE
	Disbursements		designated bank account and notify the State of the action.	
SR3.4.14	DB - Disbursements	GEN - General	The SP's system shall allow wildcard searches as agreed to between DCSS and the SP.	Project Charter, Goal Set 3
SR6.2.16	RL – Reports and Logs	REP – Reports	The SP shall provide DCSS with the following daily disbursement-related reports: 1) Disbursement Instructions Report - by disbursement method (Example is titled: "Draft Confirmation") - due to DCSS by noon each State business day and to report on disbursements to be issued that day 2) File Confirmation Report 3) Transaction Confirmation Report 4) Delete Request Transaction Confirmation Report 5) Stop Request Transaction Confirmation 6) Stop/Void Analysis by Date Report 7) Disbursement Status Report (Example is titled: "Payment Status Analysis")	Project Charter, Goal Set 9
SR6.2.17	RL – Reports and Logs	REP – Reports	The SP shall provide DCSS with the following monthly disbursement-related reports: 1) EPC Activity Report (contents to be defined in CDL DB 001) 2) Disbursement Instructions Report - by disbursement method (Example is titled: "Draft Confirmation") 3) File Confirmation Report 4) Transaction Confirmation Report 5) Delete Request Transaction Confirmation Report 6) Stop Request Transaction Confirmation 7) Stop/Void Analysis by Date Report 8) Disbursement Status Report (Example is titled: "Payment Status Analysis")	Project Charter, Goal Set 9
SR6.2.18	RL – Reports and Logs	REP – Reports	The SP shall provide DCSS with the following quarterly disbursement-related reports: 1) EPC Activity Report 2) Disbursement Instructions Report - by disbursement method (Example is titled: "Draft Confirmation") 3) File Confirmation Report 4) Transaction Confirmation Report 5) Delete Request Transaction Confirmation Report 6) Stop Request Transaction Confirmation 7) Stop/Void Analysis by Date Report 8) Disbursement Status Report (Example is titled: "Payment Status Analysis")	Project Charter, Goal Set 9
SR6.2.19	RL – Reports and Logs	REP – Reports	The SP shall provide DCSS with the following annual disbursement-related reports, when requested by DCSS: 1) EPC Activity Report 2) Disbursement Instructions Report - by disbursement method (Example is titled: "Draft Confirmation") 3) File Confirmation Report 4) Transaction Confirmation Report	Project Charter, Goal Set 9



DB001 - SDU Disbursement Processes and Procedures

SOW#	CATEGORY	SUBCATEGORY	REQUIREMENT TEXT	SOURCE REFERENCE
			5) Delete Request Transaction Confirmation Report 6) Stop Request Transaction Confirmation 7) Stop/Void Analysis by Date Report 8) Disbursement Status Report (Example is titled: "Payment Status Analysis")	

8 APPENDIX A: CHECK TEMPLATES

There are 14 check templates used for paper check disbursements. Each template is designed for a specific type of payee and contains fields designated specifically for that template. Table 8-1 identifies the differences between the 14 templates.

Table 8-1 Check Template Descriptions

CODE	TEMPLATE	RCPT DATE	COLLECTION RCPT ID	TYPE	CASE ID NUMBER	OBLIGOR NA.ME	OBLIGEE NA.ME	A.MOUNT	WITHHOLDING DATE	OOS CASE ID	MED SUP/EM TERM	OBLIGOR SSN	CA CASE ID	CNTY FIPS
1	Child Support Payment	X	X	X	X	X		X						
2	Replacement Check	X	X	X	X	X		X						
3	3rd Party Disbursement	X	X	X	X	X	X	X						
4	3rd Party Replacement Disbursement	X	X	X	X	X	X	X						
5	Interstate Disbursement	X	X	X	X	X	X	X	X	X	X	X	X	X
6	Accounts Paid In Full, Closed Case	X	X	X	X		X	X						
7	CP Overpayment of Receivable	X	X	X	X			X						
8	No Record of Account; Misdirect	X	X	X				X						
9	Non IV-D, Direct/Personal Payment	X	X	X	X		X	X						
10	Non IV-D, Undeliverable Payments or Stale	X	X	X	X		X	X						
11	IV-D, Undeliverable Payments or Stale	X	X	X	X		X	X						
12	IV-D, Tax Intercept Refund	X	X	X	X		X	X						
13	IV-D Overpayment, Ineligible	X	X	X	X		X	X						
14	Other Reason	X	X	X				X						

The blank check stock is the same for all templates, and contains ABA security features to prevent alteration of the information:

- Void displays across the face of the check when copied.
- Signature and amount areas are printed with a different pantograph background than the check.
- Watermark integrated into check stock paper, and security warning printed on the back of each check.



Figure 8-1 001 Original Check Disbursement-Draft

Figure 8-2 002 Replacement Check-Draft



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Figure 8-4 004 Third Party Replacement Check-Draft



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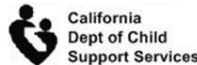
Figure 8-6 006 Refund–Account Paid in Full / Refund-Case Closed-Draft




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Figure 8-8 008 Refund-No Record of Support Account / Refund-Misdirected Payment-Draft

99999999999999999999
 DEPARTMENT OF CHILD SUPPORT SERVICES
 CALIFORNIA STATE DISBURSEMENT UNIT
 P.O. BOX 989063
 WEST SACRAMENTO, CA 95798-9063




 LARRY WILSON
 11022 SUNRISE BLVD
 SAN DIEGO CA 95678-1234
 USA


Pay to Order Of: L WILSON
 Participant Number: 123456789012345
 Check Number: 1234567891
 Check Date: 02/04/2005
 Check Amount: \$***871.10**

123401

The payment was a personal child support payment sent to the State Disbursement Unit from you. We can only accept child support payments from your employer.

RCPT DATE	COLLECTION RCPT ID	TYPE	CASE ID NUMBER	OBLIGEE NAME	AMOUNT
20050203	0123.0025.00003.01	REFUND	012345678912345	M HAGOPIAN	\$ 871.10

Refund - Direct/Personal Payment vs. Employer



DEPARTMENT OF CHILD SUPPORT SERVICES
 CALIFORNIA STATE DISBURSEMENT UNIT
 PO BOX 989063
 WEST SACRAMENTO, CA 95798-9063
 1.866.901.3212

DETACH AND RETAIN THIS STATEMENT
DIRECT QUESTIONS TO: 1.866.901.3212


70-2328
719

1234567891

May 16 2011

PAY EXACTLY: EIGHT HUNDRED SEVENTY ONE AND 10/100
 TO THE ORDER OF: LARRY WILSON

MEMO: [009] Non IV-D, Direct/Personal Payment



AUTHORIZED SIGNATURE




Figure 8-9 009 Non IV-D: Receipt of Direct / Personal Payment-Draft

Figure 8-10 010 Refund–Undeliverable Payment(s), Non IV-D / Stale Non IV-D / Sent back to CP-Draft



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Figure 8-12 012 IV-D: Tax Intercept Payment(s)-Draft



- 114 -

Figure 8-14 014 Other-Draft

9 APPENDIX B: DISBURSEMENT REPORTS

The definition of each Disbursement related report is included in this appendix. Unless otherwise defined, all disbursement-related KidStar reports are available on-demand based on report frequency. KidStar Monthly, Quarterly and Annual reports are available on or before the 5th business day of the following month.

9.1 EPC Activity Report – RCD414

Report provides details and summary on cards issued.

Table 9-1 RCD414 EPC Activity Report Definition Summary

Report Name	EPC Activity Report		
Identification Number	CACSE-EPC-RPT-013		
Report Description			
Report Frequency	Monthly 1 st day of the month Quarterly 1 st business day of the month after quarter end Annual-On Demand		
Report Period	Previous Month Previous Quarter		
Report File Name	CACSCCYMMDD-CCYMMDDHHMISSmmmEPCActivity.PDF CCYMMDD represents last day of report period CCYMMDDHHMISSmmm represents file create date and time (mmm = milliseconds)		
File Format	PDF		
Report Appearance	Page Size: Letter	Orientation: Landscape	Margins: L/R [0.5"] T/B [0.5"]
Distribution	Email to opmisoperationsanalysisunit@dcss.ca.gov		

California E-Disbursement				
EPC Activity Report				
Reporting Period: Mar 01, 2013 - Mar 31, 2013				
Report Date: Apr 01, 2013				
Report For: CS				
Participant Name	Participant ID	Account Number	Activation Date	Termination Date
A WILSON	0010001111111	1111111111111111	2013-03-22	2016-03-31
B PAYTON	0010002222222	2222222222222222	2013-03-27	2016-03-31
A MESTAS	0010003333333	3333333333333333	2013-03-19	2016-03-31
B BINGHAM	0010004444444	4444444444444444	2013-03-21	2016-03-31
C TORREZ	0010005555555	5555555555555555	2013-03-26	2016-03-31
V BOYD	0010006666666	6666666666666666	2013-03-27	2016-03-31
C ESPINO	0010007777777	7777777777777777	2013-03-04	2016-03-31
X JIMENEZ	0010008888888	8888888888888888	2013-03-04	2016-03-31
R GONZALEZ	0010009999999	9999999999999999	2013-03-26	2016-03-31
R DELOUTH	0010011111111	1011111111111111	2013-03-30	2016-03-31
L LELAIN	0010022222222	2022222222222222	2013-03-13	2016-03-31
B SOUZA	0001009999999	3033333333333333	2013-03-20	2016-03-31
R WASHINGTON	0010044444444	4044444444444444	2013-03-27	2016-03-31
J BERNABE	0010055555555	5055555555555555	2013-03-20	2016-03-31
R LEWIS	0010066666666	6066666666666666	2013-03-27	2016-03-31
M MELENDEZ	0010077777777	7077777777777777	2013-03-29	2016-03-31
B ESCOBEDO	0010088888888	8088888888888888	2013-03-01	2016-03-31
A EVANS	0010099999999	9099999999999999	2013-03-14	2016-03-31
M HERNANDEZ	0010111111111	1001111111111111	2013-03-22	2016-03-31
M REED	0010222222222	2002222222222222	2013-03-26	2016-03-31
C JACKSON	0010333333333	3033333333333333	2013-03-27	2016-03-31
J HAYNES	0010444444444	4004444444444444	2013-03-26	2016-03-31
L LOMBERA	0010555555555	5005555555555555	2013-03-18	2016-03-31
A WILLIAMS	0010666666666	6006666666666666	2013-03-27	2016-03-31
J PINEGAR-KELLY	0010777777777	7007777777777777	2013-03-12	2016-03-31
K BOWDRY	0010888888888	8008888888888888	2013-03-18	2016-03-31

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EPC Activity Report				
Report For: CS		Reporting Period: Mar 01, 2013 - Mar 31, 2013		
		Report Date: Apr 01, 2013		
Participant Name	Participant ID	Account Number	Activation Date	Termination Date
C MONROE	3333333333333333	111111111111111111	2013-03-25	2016-03-31
N CASTILLO	3444444444444444	2222222222222222	2013-03-21	2016-03-31
G FLORES	3555555555555555	3333333333333333	2013-03-29	2016-03-31
E CONTRERAS	3666666666666666	4444444444444444	2013-03-27	2016-03-31
Total Number of Cards:	262617			
Total Number of Cards Issued:	1020			
Total Number of Cards Expiring Next Month:	0			
Total Number of Replacement Cards Mailed:	0			
Date Replacement Cards Mailed:	Not Applicable			
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Figure 9-1 RCD414 EPC Activity Report Monthly

California E-Disbursement

EPC Activity Report

Reporting Period: Jan 01, 2013 - Mar 31, 2013

Report Date: Apr 01, 2013

Report For: CS

Participant Name	Participant ID	Account Number	Activation Date	Termination Date
C WILSON	1111111111111111	1111111111111111	2013-03-22	2016-03-31
S ROMERO	2222222222222222	2222222222222222	2013-01-07	2016-01-31
V PAYTON	3333333333333333	3333333333333333	2013-03-27	2016-03-31
P CRIDER	4444444444444444	4444444444444444	2013-01-22	2016-01-31
R TATMON-GIBSON	5555555555555555	5555555555555555	2013-02-05	2016-02-29
R TATMON-GIBSON	6666666666666666	6666666666666666	2013-02-12	2016-02-29
T MESTAS	7777777777777777	7777777777777777	2013-03-19	2016-03-31
G PENNY	8888888888888888	8888888888888888	2013-01-15	2016-01-31
C BINGHAM	9999999999999999	9999999999999999	2013-03-21	2016-03-31
L MONTALVO	1111111111111111	1111111111111111	2013-02-20	2016-02-29
T TORREZ	2222222222222222	4444444444444444	2013-03-26	2016-03-31
T BOYD	3333333333333333	3333333333333333	2013-03-27	2016-03-31
Y BURDEAUX	4444444444444444	4444444444444444	2013-02-12	2016-02-29
A ESPINO	5555555555555555	5555555555555555	2013-03-04	2016-03-31
X JIMENEZ	6666666666666666	8888888888888888	2013-03-04	2016-03-31
R GONZALEZ	7777777777777777	5555555555555555	2013-03-26	2016-03-31
R DELOUTH	8888888888888888	8888888888888888	2013-03-30	2016-03-31
L LELAINO	9999999999999999	3333333333333333	2013-03-13	2016-03-31
B SOUZA	1111111111111111	3333333333333333	2013-03-20	2016-03-31
K MAPPS	2222222222222222	8888888888888888	2013-02-19	2016-02-29
R WASHINGTON	3333333333333333	7777777777777777	2013-03-27	2016-03-31
J BERNABE	4444444444444444	3333333333333333	2013-03-20	2016-03-31
R LEWIS	5555555555555555	8888888888888888	2013-03-27	2016-03-31
D BENAVIDES	6666666666666666	7777777777777777	2013-02-12	2016-02-29
M MELENDEZ	7777777777777777	5555555555555555	2013-03-29	2016-03-31
L CROSBY	8888888888888888	7777777777777777	2013-01-14	2016-01-31

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Total Number of Cards:	262617
Total Number of Cards Issued:	1703
Total Number of Cards Expiring Next Month:	0
Total Number of Replacement Cards Mailed:	0


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Figure 9-2 RCD414 EPC Activity Report Quarterly

9.2 1000 File Confirmation– RCD/DISB415

Table 9-2 RCD/DISB 415 -1000 File Confirmation Definition Summary

Report Name	1000 - Daily File Confirmation 1000 – Monthly File Confirmation 1000 – Quarterly File Confirmation 1000 – Annual Confirmation		
Identification Number	1000 RCD/DISB415		
Report Description	Summary of total disbursements received in the DINT file.		
Intended User	DCSS Accounting and OPMIS		
Intended Use	Used to confirm the 3:00 A.M disbursement instructions.		
Report Frequency	System generated – on demand. Daily, Monthly, Quarterly and Annually Annually refers to the following calendars: State Fiscal Year: July 1 – June 30; Federal Fiscal Year: October 1 – September 30; Calendar Year: January 1 – December 31. Annual report issued on request.		
Number of Reports in Series	6 reports: Daily, Monthly, Quarterly, Annual: State Fiscal Year, Federal Fiscal Year, Calendar Year		
Delivery Method	On Demand. Users will request report directly from the system.		
Format	XLS, CSV - daily Monday – Friday XLS, CSV, PDF – Monthly, Quarterly and Annually		
Report Appearance	Paper Size	Letter	
	Paper Layout	Landscape	
	Margins	Left/Right	0.5 Inch
		Top/Bottom	0.5 Inch
Remarks	Confirms the 3:00 A.M disbursement instructions.		

1000 File Confirmation			Daily			
			Parent ID: CASDU		Report ID: 1000	
			File Timestamp: 05/22/2013 02:48:34 PM		Report Date: 03/29/2013	
			File Trace Number: SDU.DINT.FIPS999.D03282013.		Status: Passed	
Disbursements			Amounts			
Records	Detail Count		Disbursements Total	Average Amount	High Amount	Low Amount
31,365	34,901		\$ 4,485,990.12	\$ 128.53	\$ 51,350.72	\$ 0.01

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Figure 9-3 RCD/DISB415 – 1000 Daily File Confirmation Report



1000 File Confirmation			Monthly		
			Parent ID: CASDU		
File Timestamp: 05/22/2013 02:52:45 PM			Report ID: 1000		
File Trace Number: <u>SDU.DINT.FIPS999.D05212013.</u>			Report Date: 03/01/2013 - 03/31/2013		
			Status: Passed		
Disbursements		Amounts			
Records	Detail Count	Disbursements Total	Average Amount	High Amount	Low Amount
1,205,747	1,319,906	\$ 196,069,801.91	\$ 148.55	\$ 92,357.34	\$ 0.01
DISB415		Page 1 of 1			

Figure 9-4 RCD/DISB415 – 1000 Monthly File Confirmation Report

1000 File Confirmation		Quarterly			
		Parent ID: CASDU		Report ID: 1000	
File Timestamp: 05/22/2013 03:04:00 PM		Report Date: 01/01/2013 - 03/31/2013			
File Trace Number: <u>SDU.DINT.FIPS999.D05212013</u>		Status: Passed			
Disbursements		Amounts			
Records	Detail Count	Disbursements Total	Average Amount	High Amount	Low Amount
3,583,768	3,921,495	\$ 549,888,163.21	\$ 140.22	\$ 234,646.83	\$ 0.01

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Figure 9-5 RCD/DISB415 – 1000 Quarterly File Confirmation Report



1000 File Confirmation

Annual

Parent ID: CASDU
File Timestamp: 03/11/2014 03:29:46 PM
File Trace Number: SDU.DINT.FIPS999.D03102014.

Report ID: ST026
Report Date: 01/01/2013 - 12/31/2013
Status: Passed

Calendar Year 2013

Disbursements		Amounts			
Records	Detail Count	Disbursements Total	Average Amount	High Amount	Low Amount
14,479,450	15,813,564	\$2,221,192,663.49	\$140.46	\$300,000.00	\$0.01

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Figure 9-6 RCD/DISB415 – 1000 Annual File Confirmation Report

9.3 1200 Transaction Confirmation– RCD/DISB 416

Table 9-3 RCD416 –1200 Transaction Confirmation Definition Summary

Report Name	1200 – Daily Transaction Confirmation 1200 – Monthly Transaction Confirmation 1200 – Quarterly Transaction Confirmation 1200 – Annual Transaction Confirmation		
Identification Number	1200 RCD/DISB416		
Report Description	This report is a summary of rejected items after the DINT file has ingested into KidStar.		
Intended User	DCSS Accounting and OPMIS		
Intended Use	Used to assist in balancing rejects with transactions.		
Report Frequency	System generated – on demand. Daily, Monthly, Quarterly and Annually Annually refers to the following calendars: State Fiscal Year: July 1 – June 30; Federal Fiscal Year: October 1 – September 30; Calendar Year: January 1 – December 31. Annual report issued on request.		
Number of Reports in Series	6 reports: Daily, Monthly, Quarterly, Annual: State Fiscal Year, Federal Fiscal Year, Calendar Year		
Delivery Method	On Demand. Users will request report directly from the system.		
Format	XLS, CSV - daily Monday – Friday XLS, CSV, PDF – Monthly, Quarterly and Annually		
Report Appearance	Paper Size	Letter	
	Paper Layout	Landscape	
	Margins	Left/Right	0.5 Inch
		Top/Bottom	0.5 Inch
Remarks	Rejected Items are records rejected during ingest due to error		

1200 Transaction Confirmation				Daily	
	Reporting Level: CASDU			Report ID: 1200	
	Date Range: 03/29/2013			Report Date: 04/23/2013	
	Query Timestamp: 04/23/2013 09:19:51 AM				
Date Range	Records			Amount	
	Disbursement Rejects	Disbursement	Disbursement Details	Total Dollar Amount of Rejects	Total Dollar Amount of Disbursement
03/29/2013	0	31,365	34,901	\$ 0.00	\$ 4,485,990.12
Totals:	0	31,365	34,901	\$ 0.00	\$ 4,485,990.12

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Figure 9-7 RCD/DISB416 – 1200 Daily Transaction Confirmation Report

1200 Transaction Confirmation

Monthly




Reporting Level: CASDU
 Date Range: 03/01/2013 - 03/31/2013
 Query Timestamp: 04/23/2013 09:28:47 AM

Report ID: 1200
 Report Date: 04/23/2013

Date Range	Records			Amount	
	Disbursement Rejects	Disbursement	Disbursement Details	Total Dollar Amount of Rejects	Total Dollar Amount of Disbursement
03/01/2013	0	37,211	41,768	\$ 0.00	\$ 5,381,019.79
03/04/2013	0	80,810	85,067	\$ 0.00	\$ 10,109,798.46
03/05/2013	0	115,320	124,969	\$ 0.00	\$ 23,635,625.02
03/06/2013	0	86,958	95,801	\$ 0.00	\$ 11,848,772.75
03/07/2013	0	42,573	45,326	\$ 0.00	\$ 7,438,477.32
03/08/2013	0	41,922	45,108	\$ 0.00	\$ 7,375,091.27
03/11/2013	0	59,105	63,271	\$ 0.00	\$ 10,013,150.40
03/12/2013	0	69,875	75,188	\$ 0.00	\$ 17,469,195.32
03/13/2013	0	71,356	78,909	\$ 0.00	\$ 8,933,181.67
03/14/2013	0	30,930	33,706	\$ 0.00	\$ 4,616,098.60
03/15/2013	0	31,279	33,992	\$ 0.00	\$ 4,677,100.96
03/18/2013	0	55,980	61,141	\$ 0.00	\$ 8,252,191.51
03/19/2013	0	64,599	70,454	\$ 0.00	\$ 14,118,021.67
03/20/2013	0	78,858	88,657	\$ 0.00	\$ 10,327,286.57
03/21/2013	0	28,739	31,436	\$ 0.00	\$ 4,247,847.22
03/22/2013	0	39,120	43,106	\$ 0.00	\$ 6,016,340.87
03/25/2013	0	62,357	68,901	\$ 0.00	\$ 9,305,184.99
03/26/2013	0	65,210	71,838	\$ 0.00	\$ 12,878,850.26
03/27/2013	0	80,699	91,408	\$ 0.00	\$ 10,375,670.65

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1200 Transaction Confirmation				Monthly	
	Reporting Level: CASDU			Report ID: 1200	
	Date Range: 03/01/2013 - 03/31/2013			Report Date: 05/21/2013	
	Query Timestamp: 05/21/2013 01:07:59 PM				
Date Range	Records			Amount	
	Disbursement Rejects	Disbursement	Disbursement Details	Total Dollar Amount of Rejects	Total Dollar Amount of Disbursement
03/28/2013	0	31,481	34,959	\$ 0.00	\$ 4,564,906.49
03/29/2013	0	31,365	34,901	\$ 0.00	\$ 4,485,990.12
Totals:	0	1,205,747	1,319,906	\$ 0.00	\$ 196,069,801.91

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Figure 9-8 RCD/DISB416 – 1200 Monthly Transaction Confirmation Report

1200 Transaction Confirmation				Quarterly	
	Reporting Level: CASDU			Report ID: 1200	
	Date Range: 01/01/2013 - 03/31/2013			Report Date: 04/23/2013	
	Query Timestamp: 04/23/2013 09:30:38 AM				
Date Range	Records			Amount	
	Disbursement Rejects	Disbursement	Disbursement Details	Total Dollar Amount of Rejects	Total Dollar Amount of Disbursement
January 2013	0	1,242,444	1,361,200	\$ 0.00	\$ 179,757,120.22
February 2013	0	1,135,577	1,240,389	\$ 0.00	\$ 174,061,241.08
March 2013	0	1,205,747	1,319,906	\$ 0.00	\$ 196,069,801.91
Totals:	0	3,583,768	3,921,495	\$ 0.00	\$ 549,888,163.21

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Figure 9-9 RCD/DISB416 – 1200 Quarterly Transaction Confirmation Report



1200 Transaction Confirmation

Annual

Reporting Level: CASDU

Date Range: 01/01/2013 - 12/31/2013

Query Timestamp: 03/12/2014 09:07:14 AM

Report ID: 1200

Report Date: 03/12/2014

Calendar Year 2013

Date Range	Disbursement Rejects	Records		Amount	
		Disbursement	Disbursement Details	Total Dollar Amount of Rejects	Total Dollar Amount of Disbursement
January 2013	0	1,242,444	1,361,200	\$0.00	\$179,757,120.22
February 2013	0	1,135,577	1,240,389	\$0.00	\$174,061,241.08
March 2013	0	1,205,747	1,319,906	\$0.00	\$196,069,801.91
April 2013	0	1,262,070	1,379,367	\$0.00	\$203,954,343.66
May 2013	0	1,286,002	1,407,084	\$0.00	\$202,482,171.26
June 2013	0	1,134,919	1,235,309	\$0.00	\$173,914,006.60
July 2013	0	1,290,357	1,409,413	\$0.00	\$192,018,531.93
August 2013	0	1,179,447	1,286,821	\$0.00	\$177,806,543.78
September 2013	0	1,159,391	1,263,928	\$0.00	\$178,935,566.22
October 2013	0	1,261,405	1,379,088	\$0.00	\$187,987,239.75
November 2013	0	1,060,295	1,153,214	\$0.00	\$163,327,394.18
December 2013	0	1,261,796	1,377,845	\$0.00	\$190,878,702.90
Totals:	0	14,479,450	15,813,564	\$0.00	\$2,221,192,663.49

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Figure 9-10 RCD/DISB416 – 1200 Annual Transaction Confirmation Report

9.4 2200 Delete Request Transaction Confirmation – RCD/DISB 417

Table 9-4 RCD417 –2200 Delete Request Transaction Confirmation Definition Summary

Report Name	2200 – Daily Delete Request Transaction Confirmation 2200 – Monthly Delete Request Transaction Confirmation 2200 – Quarterly Delete Request Transaction Confirmation 2200 – Annual Delete Request Transaction Confirmation		
Identification Number	2200 RCD/DISB417		
Report Description	This report provides a summary of requested deletes processed and or rejected.		
Intended User	DCSS Accounting and OPMIS		
Intended Use	Used to assist in balancing deletes with transactions.		
Report Frequency	System generated – on demand. Daily, Monthly, Quarterly and Annually Annually refers to the following calendars: State Fiscal Year: July 1 – June 30; Federal Fiscal Year: October 1 – September 30; Calendar Year: January 1 – December 31. Annual report issued on request.		
Number of Reports in Series	6 reports: Daily, Monthly, Quarterly, Annual: State Fiscal Year, Federal Fiscal Year, Calendar Year, ad-hoc		
Delivery Method	On Demand. Users will request report directly from the system.		
Format	XLS, CSV - daily Monday – Friday XLS, CSV, PDF – Monthly, Quarterly and Annually		
Report Appearance	Paper Size	Letter	
	Paper Layout	Landscape	
	Margins	Left/Right	0.5 Inch
		Top/Bottom	0.5 Inch
Remarks	Disbursement Records and Totals from 1000 File Confirmation (RCD415) - the Disbursement Rejects and Total Dollar Amount of Rejects from 1200 Transaction Confirmation (RCD416) – Processed Delete Request (Number and Dollar Amount) from the RCD417 = Disbursements and Dollar Amount on the 3250 Draft Confirmation (RCD419), Total Number of Disbursements and Total Disbursements on the CSE Disbursement Report (RCD435) and Disbursed Count and Amount on the Disbursement Balancing Report (RCD439)		

2200 Delete Request Transaction Confirmation			Daily	
		Reporting Level: CASDU Date Range: 03/29/2013 Query Timestamp: 04/23/2013 09:39:23 AM	Report Date: 04/23/2013	
Date Range	Count		Amount	
	Rejected Delete Requests	Processed Delete Requests	Rejected Delete Requests	Processed Delete Requests
03/29/2013	1	16	\$ 2,000.00	\$ 18,216.77
Total:	1	16	\$ 2,000.00	\$ 18,216.77

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Figure 9-11 RCD/DISB417 – 2200 Daily Delete Request Transaction Confirmation Report

2200 Delete Request Transaction Confirmation

Monthly




Reporting Level: CASDU
 Date Range: 03/01/2013 - 03/31/2013
 Query Timestamp: 04/23/2013 09:43:27 AM

Report Date: 04/23/2013

Date Range	Count		Amount	
	Rejected Delete Requests	Processed Delete Requests	Rejected Delete Requests	Processed Delete Requests
03/01/2013	0	44	\$ 0.00	\$ 27,237.26
03/04/2013	1	37	\$ 1,764.00	\$ 81,418.49
03/05/2013	0	50	\$ 0.00	\$ 99,896.17
03/06/2013	0	52	\$ 0.00	\$ 73,971.42
03/07/2013	0	34	\$ 0.00	\$ 72,357.72
03/08/2013	0	16	\$ 0.00	\$ 46,281.56
03/11/2013	0	25	\$ 0.00	\$ 81,945.33
03/12/2013	0	51	\$ 0.00	\$ 44,727.70
03/13/2013	0	30	\$ 0.00	\$ 56,551.42
03/14/2013	0	31	\$ 0.00	\$ 38,933.92
03/15/2013	1	26	\$ 1,365.00	\$ 81,779.67
03/18/2013	1	20	\$ 54.78	\$ 114,980.39
03/19/2013	1	52	\$ 3,959.39	\$ 78,186.58
03/20/2013	0	65	\$ 0.00	\$ 52,843.89
03/21/2013	0	26	\$ 0.00	\$ 67,201.25
03/22/2013	0	28	\$ 0.00	\$ 63,590.81
03/25/2013	0	38	\$ 0.00	\$ 28,469.85
03/26/2013	0	51	\$ 0.00	\$ 98,044.84
03/27/2013	2	30	\$ 13,180.08	\$ 43,155.41

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2200 Delete Request Transaction Confirmation				Monthly	
		Reporting Level: CASDU			
		Date Range: 03/01/2013 - 04/01/2013			
		Query Timestamp: 06/28/2013 05:02:55 PM		Report Date: 06/28/2013	
Date Range	Count		Amount		
	Rejected Delete Requests	Processed Delete Requests	Rejected Delete Requests	Processed Delete Requests	
03/28/2013	0	34	\$ 0.00	\$ 52,436.65	
03/29/2013	1	16	\$ 2,000.00	\$ 18,216.77	
Total:	7	756	\$ 22,323.25	\$ 1,322,227.10	

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Figure 9-12 RCD/DISB417 – 2200 Monthly Delete Request Transaction Confirmation Report

2200 Delete Request Transaction Confirmation				Quarterly	
		Reporting Level: CASDU			
		Date Range: 01/01/2013 - 03/31/2013			
		Query Timestamp: 04/23/2013 09:45:29 AM		Report Date: 04/23/2013	
Date Range	Count		Amount		
	Rejected Delete Requests	Processed Delete Requests	Rejected Delete Requests	Processed Delete Requests	
January 2013	2	535	\$ 3,759.00	\$ 981,951.60	
February 2013	2	694	\$ 2,767.71	\$ 1,038,333.06	
March 2013	7	756	\$ 22,323.25	\$ 1,322,227.10	
Total:	11	1,985	\$ 28,849.96	\$ 3,342,511.76	

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Figure 9-13 RCD/DISB417 – 2200 Quarterly Delete Request Transaction Confirmation Report

2200 Delete Request Transaction Confirmation

Annual



Reporting Level: CASDU
Date Range: 01/01/2013 - 12/31/2013
Query Timestamp: 04/08/2014 02:37:38 PM

Report Date: 04/08/2014

Calendar Year 2013

Date Range	Count		Amount	
	Rejected Delete Requests	Processed Delete Requests	Rejected Delete Requests	Processed Delete Requests
January 2013	2	535	\$ 3,759.00	\$ 981,951.60
February 2013	2	694	\$ 2,767.71	\$ 1,038,333.06
March 2013	7	756	\$ 22,323.25	\$ 1,322,227.10
April 2013	4	589	\$ 10,008.36	\$ 1,326,685.46
May 2013	8	775	\$ 5,063.59	\$ 1,174,601.79
June 2013	3	734	\$ 11,797.63	\$ 1,082,521.62
July 2013	1	559	\$ 238.00	\$ 1,181,914.88
August 2013	0	773	\$ 0.00	\$ 1,269,803.54
September 2013	2	632	\$ 2,213.48	\$ 1,180,742.64
October 2013	2	713	\$ 1,320.00	\$ 1,542,610.22
November 2013	3	462	\$ 592.64	\$ 1,124,172.36
December 2013	0	522	\$ 0.00	\$ 1,054,334.17
Total:	34	7,744	\$ 60,083.66	\$ 14,279,898.44

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Figure 9-14 RCD/DISB417 – 2200 Annual Delete Request Transaction Confirmation Report

9.5 3250 Draft Confirmation– RCD 419

Table 9-5 RCD419 – 3250 Draft Confirmation Definition Summary

Report Name	3250 – Daily Draft Confirmation 3250 – Monthly Draft Confirmation 3250 – Quarterly Draft Confirmation 3250 – Annual Draft Confirmation		
Identification Number	3250 RCD419		
Report Description	This report provides a draft confirmation of disbursements, including a payment amount average.		
Intended User	DCSS Management Accounting and OPMIS		
Intended Use	Users set the date parameter range for this daily and on-demand report.		
Report Frequency	System generated – on demand. Daily, Monthly, Quarterly and Annually Annually refers to the following calendars: State Fiscal Year: July 1 – June 30; Federal Fiscal Year: October 1 – September 30; Calendar Year: January 1 – December 31. Annual report issued on request.		
Number of Reports in Series	6 reports: Daily, Monthly, Quarterly, Annual: State Fiscal Year, Federal Fiscal Year, Calendar Year		
Delivery Method	On Demand - Users will request report directly from the system.		
Format	XLS, CSV - daily Monday – Friday XLS, CSV, PDF – Monthly, Quarterly and Annually		
Report Appearance	Paper Size	Letter	
	Paper Layout	Landscape	
	Margins	Left/Right	0.5 Inch
		Top/Bottom	0.5 Inch
Remarks	Similar to Disbursement Balancing Report (RCD439), CSE Disbursement Report (RCD435) and Disbursed Count and Amount on the Disbursement Balancing Report (RCD439).		

3250 - Draft Confirmation

California State Disbursement Unit

Daily

Report ID: 3250

Reporting Level: CASDU

Date Range: 03/29/2013

Remittance Methods: All

Query Timestamp: 04/23/2013 09:50:46 AM

Date Range	Records						Dollar Amount	
	Rejects	Electronic	%	Paper	Disbursements	Disbursement Detail	Rejects	Disbursements
03/29/2013	0	22,010	70.21%	9,339	31,349	34,885	\$ 0.00	\$ 4,467,773.35
Totals:	0	22,010	70.21%	9,339	31,349	34,885	\$ 0.00	\$ 4,467,773.35

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3250 - Draft Confirmation

California State Disbursement Unit

Daily

Report ID: 3250

Reporting Level: CASDU

Date Range: 03/29/2013

Remittance Methods: All

Query Timestamp: 05/21/2013 01:10:37 PM

Disbursement Method	Disbursements	Disbursement Detail	Dollar Amount	Average Amount per Disbursements
CORPORATE CHECK	9,339	12,875	\$ 1,372,730.00	\$ 146.99
PAYCARD	7,650	7,650	\$ 747,633.01	\$ 97.73
ACH CCD	1,366	1,366	\$ 179,621.10	\$ 131.49
ACH PPD	12,994	12,994	\$ 2,167,789.24	\$ 166.83
File Totals :	31,349	34,885	\$ 4,467,773.35	\$ 142.52

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Figure 9-15 RCD419 – 3250 Daily Draft Confirmation Report

3250 - Draft Confirmation

California State Disbursement Unit

Monthly

Report ID: 3250

Reporting Level: CASDU

Date Range: 03/01/2013 - 03/31/2013

Remittance Methods: All

Query Timestamp: 04/23/2013 09:56:54 AM

Date Range	Records						Dollar Amount	
	Rejects	Electronic	%	Paper	Disbursements	Disbursement Detail	Rejects	Disbursements
03/01/2013	0	26,297	70.75%	10,870	37,167	41,720	\$ 0.00	\$ 5,353,782.53
03/04/2013	0	52,707	65.25%	28,066	80,773	85,006	\$ 0.00	\$ 10,028,379.97
03/05/2013	0	84,682	73.46%	30,588	115,270	124,901	\$ 0.00	\$ 23,535,728.85
03/06/2013	0	59,903	68.93%	27,003	86,906	95,741	\$ 0.00	\$ 11,774,801.33
03/07/2013	0	25,941	60.98%	16,598	42,539	45,272	\$ 0.00	\$ 7,366,119.60
03/08/2013	0	28,722	68.54%	13,184	41,906	45,088	\$ 0.00	\$ 7,328,809.71
03/11/2013	0	43,266	73.23%	15,814	59,080	63,245	\$ 0.00	\$ 9,931,205.07
03/12/2013	0	49,465	70.84%	20,359	69,824	75,134	\$ 0.00	\$ 17,424,467.62
03/13/2013	0	49,131	68.88%	22,195	71,326	78,873	\$ 0.00	\$ 8,876,630.25
03/14/2013	0	19,626	63.52%	11,273	30,899	33,663	\$ 0.00	\$ 4,577,164.68
03/15/2013	0	20,853	66.72%	10,400	31,253	33,960	\$ 0.00	\$ 4,595,321.29

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3250 - Draft Confirmation
California State Disbursement Unit
Monthly

Report ID: 3250
Reporting Level: CASDU
Date Range: 03/01/2013 - 03/31/2013
Remittance Methods: All
Query Timestamp: 05/21/2013 05:15:37 PM

Disbursement Method	Disbursements	Disbursement Detail	Dollar Amount	Average Amount per Disbursements
CORPORATE CHECK	352,301	466,304	\$ 58,166,202.97	\$ 165.10
PAYCARD	298,450	298,450	\$ 34,251,386.79	\$ 114.76
ACH CCD	59,093	59,093	\$ 7,555,852.73	\$ 127.86
ACH PPD	495,147	495,147	\$ 94,774,132.32	\$ 191.41
File Totals :	1,204,991	1,318,994	\$ 194,747,574.81	\$ 161.62

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Figure 9-16 RCD419 – 3250 Monthly Draft Confirmation Report

3250 - Draft Confirmation
California State Disbursement Unit
Quarterly

Report ID: 3250
Reporting Level: CASDU
Date Range: 01/01/2013 - 03/31/2013
Remittance Methods: All
Query Timestamp: 04/23/2013 10:00:14 AM

Date Range	Records						Dollar Amount	
	Rejects	Electronic	%	Paper	Disbursements	Disbursement Detail	Rejects	Disbursements
January 2013	0	894,535	72.03%	347,374	1,241,909	1,360,511	\$ 0.00	\$ 178,775,168.62
February 2013	0	813,883	71.72%	321,000	1,134,883	1,239,434	\$ 0.00	\$ 173,022,908.02
March 2013	0	852,690	70.76%	352,301	1,204,991	1,318,994	\$ 0.00	\$ 194,747,574.81
Totals:	0	2,561,108	71.50%	1,020,675	3,581,783	3,918,939	\$ 0.00	\$ 546,545,651.45

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3250 - Draft Confirmation

California State Disbursement Unit

Quarterly

Report ID: 3250
Reporting Level: CASDU
Date Range: 01/01/2013 - 03/31/2013
Remittance Methods: All
Query Timestamp: 05/22/2013 10:43:10 AM

Disbursement Method	Disbursements	Disbursement Detail	Dollar Amount	Average Amount per Disbursements
CORPORATE CHECK	1,020,675	1,357,831	\$ 156,091,694.16	\$ 152.93
PAYCARD	899,664	899,664	\$ 96,761,066.89	\$ 107.55
ACH CCD	177,732	177,732	\$ 21,789,629.97	\$ 122.60
ACH PPD	1,483,712	1,483,712	\$ 271,903,260.43	\$ 183.26
File Totals :	3,581,783	3,918,939	\$ 546,545,651.45	\$ 152.59

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Figure 9-17 RCD419 – 3250 Quarterly Draft Confirmation Report



3250 - Draft Confirmation
California State Disbursement Unit
Annual

Report ID: 3250
Reporting Level: CASDU
Date Range: 01/01/2013 - 12/31/2013
Remittance Methods: All
Query Timestamp: 04/08/2014 02:25:18 PM

Calendar Year 2013

Date Range	Records						Dollar Amount	
	Rejects	Electronic	%	Paper	Disbursements	Disbursement Detail	Rejects	Disbursements
January 2013	0	894,535	72.03%	347,374	1,241,909	1,360,511	\$ 0.00	\$ 178,775,168.62
February 2013	0	813,883	71.72%	321,000	1,134,883	1,239,434	\$ 0.00	\$ 173,022,908.02
March 2013	0	852,690	70.76%	352,301	1,204,991	1,318,994	\$ 0.00	\$ 194,747,574.81
April 2013	0	894,982	70.95%	366,499	1,261,481	1,378,632	\$ 0.00	\$ 202,627,658.20
May 2013	0	903,662	70.31%	381,565	1,285,227	1,406,174	\$ 0.00	\$ 201,307,569.47
June 2013	0	800,403	70.57%	333,782	1,134,185	1,234,344	\$ 0.00	\$ 172,831,484.98
July 2013	0	921,027	71.41%	368,771	1,289,798	1,408,688	\$ 0.00	\$ 190,836,617.05
August 2013	0	833,568	70.72%	345,106	1,178,674	1,285,868	\$ 0.00	\$ 176,536,740.24
September 2013	0	821,579	70.90%	337,180	1,158,759	1,263,118	\$ 0.00	\$ 177,754,823.58
October 2013	0	894,000	70.91%	366,692	1,260,692	1,378,210	\$ 0.00	\$ 186,444,629.53
November 2013	0	752,134	70.97%	307,699	1,059,833	1,152,863	\$ 0.00	\$ 162,203,221.82

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3250 - Draft Confirmation
California State Disbursement Unit
Annual

Report ID: 3250
Reporting Level: CASDU
Date Range: 01/01/2013 - 12/31/2013
Remittance Methods: All
Query Timestamp: 04/30/2014 12:35:41 PM

Calendar Year 2013

Date Range	Records						Dollar Amount	
	Rejects	Electronic	%	Paper	Disbursements	Disbursement Detail	Rejects	Disbursements
December 2013	0	905,996	71.83%	355,278	1,261,274	1,377,216	\$ 0.00	\$ 189,824,368.73
Totals:	0	10,288,459	71.09%	4,183,247	14,471,706	15,803,852	\$ 0.00	\$ 2,206,912,765.05

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3250 - Draft Confirmation California State Disbursement Unit Annual

Calendar Year 2013

Report ID: 3250
Reporting Level: CASDU
Date Range: 01/01/2013 - 12/31/2013
Remittance Methods: All
Query Timestamp: 04/08/2014 02:25:19 PM

Disbursement Method	Disbursements	Disbursement Detail	Dollar Amount	Average Amount per Disbursements
CORPORATE CHECK	4,163,247	5,515,393	\$ 631,347,061.58	\$ 150.92
PAYCARD	3,573,276	3,573,276	\$ 385,053,178.41	\$ 107.76
ACH CCD	745,025	745,025	\$ 91,264,282.16	\$ 122.50
ACH PPD	5,970,158	5,970,158	\$ 1,099,248,242.90	\$ 184.12
File Totals :	14,471,706	15,803,852	\$ 2,206,912,765.05	\$ 152.50

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Figure 9-18 RCD419 – 3250 Annual Draft Confirmation Report

9.6 4200 Stop Request Transaction Confirmation – RCD/DISB 420


Table 9-6 RCD/DISB420 – 4200 Stop Request Transaction Confirmation Definition Summary

Report Name	4200 – Daily Stop Request Transaction Confirmation 4200 – Monthly Stop Request Transaction Confirmation 4200 – Quarterly Stop Request Transaction Confirmation 4200 – Annual Stop Request Transaction Confirmation		
Identification Number	4200 RCD/DISB420		
Report Description	This report provides the number and dollar amount of stop payment requests received and processed.		
Intended User	DCSS Accounting and OPMIS		
Intended Use	Communicates stops and voids for payments already disbursed.		
Report Frequency	System generated – on demand. Daily, Monthly, Quarterly and Annually Annually refers to the following calendars: State Fiscal Year: July 1 – June 30; Federal Fiscal Year: October 1 – September 30; Calendar Year: January 1 – December 31. Annual report issued on request.		
Number of Reports in Series	6 reports: Daily, Monthly, Quarterly, Annual: State Fiscal Year, Federal Fiscal Year, Calendar Year		
Delivery Method	On Demand. Users will request report directly from the system.		
Format	XLS, CSV - daily Monday – Friday XLS, CSV, PDF – Monthly, Quarterly and Annually		
Report Appearance	Paper Size	Letter	
	Paper Layout	Landscape	
	Margins	Left/Right	0.5 Inch
		Top/Bottom	0.5 Inch
Remarks	Rejects, Voids and Stop requests received after 3:00 pm will be tracked to the next processing date.		



4200 Stop Request Transaction Confirmation

Daily



Reporting Level: CASDU
Date Range: 03/29/2013
Query Timestamp: 04/23/2013 10:45:24 AM

Report ID: 4200
Report Date: 04/23/2013

Process Date Range	Disbursements				Dollar Amount			
	Disbursement Rejects	Stops	Voids	Total	Rejects	Stops	Voids	Total Dollar Amount
03/29/2013	0	41	686	727	\$ 0.00	\$ 9,653.71	\$ 72,914.37	\$ 82,568.08
Totals:	0	41	686	727	\$ 0.00	\$ 9,653.71	\$ 72,914.37	\$ 82,568.08

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Figure 9-19 RCD/DISB420 - 4200 Daily Stop Request Transaction Confirmation Report

4200 Stop Request Transaction Confirmation

Monthly

Reporting Level: CASDU

Date Range: 03/01/2013 - 03/31/2013

Query Timestamp: 04/23/2013 10:51:07 AM

Report ID: 4200

Report Date: 04/23/2013


Process Date Range	Disbursements				Dollar Amount			
	Disbursement Rejects	Stops	Voids	Total	Rejects	Stops	Voids	Total Dollar Amount
03/01/2013	0	78	446	524	\$ 0.00	\$ 36,843.52	\$ 47,292.08	\$ 84,135.60
03/04/2013	0	37	1,285	1,322	\$ 0.00	\$ 7,773.26	\$ 151,174.04	\$ 158,947.30
03/05/2013	0	110	287	397	\$ 0.00	\$ 20,087.80	\$ 31,835.31	\$ 51,923.11
03/06/2013	0	34	182	216	\$ 0.00	\$ 6,595.99	\$ 17,967.72	\$ 24,563.71
03/07/2013	0	45	600	645	\$ 0.00	\$ 9,940.19	\$ 99,118.87	\$ 109,059.06
03/08/2013	0	81	438	519	\$ 0.00	\$ 12,195.21	\$ 52,899.06	\$ 65,094.27
03/11/2013	0	30	707	737	\$ 0.00	\$ 3,901.79	\$ 92,381.15	\$ 96,282.94
03/12/2013	0	87	872	959	\$ 0.00	\$ 19,790.23	\$ 109,435.20	\$ 129,225.43
03/13/2013	0	62	285	347	\$ 0.00	\$ 9,224.14	\$ 26,549.26	\$ 35,773.40

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4200 Stop Request Transaction Confirmation

Monthly



Reporting Level: CASDU

Date Range: 03/01/2013 - 03/31/2013

Query Timestamp: 05/22/2013 12:21:34 PM

Report ID: 4200

Report Date: 05/22/2013

Process Date Range	Disbursements				Dollar Amount			
	Disbursement Rejects	Stops	Voids	Total	Rejects	Stops	Voids	Total Dollar Amount
03/27/2013	0	113	161	274	\$ 0.00	\$ 25,259.84	\$ 16,341.19	\$ 41,601.03
03/28/2013	0	32	325	357	\$ 0.00	\$ 17,885.91	\$ 39,564.86	\$ 57,450.77
03/29/2013	0	41	686	727	\$ 0.00	\$ 9,653.71	\$ 72,914.37	\$ 82,568.08
Totals:	0	1,303	12,250	13,553	\$ 0.00	\$ 284,693.25	\$ 1,585,180.34	\$ 1,869,873.59


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Figure 9-20 RCD/DISB420 - 4200 Monthly Stop Request Transaction Confirmation Report

4200 Stop Request Transaction Confirmation

Quarterly



Reporting Level: CASDU

Date Range: 01/01/2013 - 03/31/2013

Query Timestamp: 04/23/2013 10:54:31 AM

Report ID: 4200

Report Date: 04/23/2013

Process Date Range	Disbursements				Dollar Amount			
	Disbursement Rejects	Stops	Voids	Total	Rejects	Stops	Voids	Total Dollar Amount
JANUARY 2013	0	1,639	9,704	11,343	\$ 0.00	\$ 290,635.55	\$ 1,097,716.58	\$ 1,388,352.13
FEBRUARY 2013	0	1,299	9,507	10,806	\$ 0.00	\$ 224,098.18	\$ 989,346.19	\$ 1,213,444.37
MARCH 2013	0	1,303	12,250	13,553	\$ 0.00	\$ 284,693.25	\$ 1,585,180.34	\$ 1,869,873.59
Totals:	0	4,241	31,461	35,702	\$ 0.00	\$ 799,426.98	\$ 3,672,243.11	\$ 4,471,670.09

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Figure 9-21 RCD/DISB420 - 4200 Quarterly Stop Request Transaction Confirmation Report

4200 Stop Request Transaction Confirmation

Annual



Reporting Level: CASDU
Date Range: 01/01/2013 - 12/31/2013
Query Timestamp: 04/08/2014 02:42:41 PM

Report ID: 4200
Report Date: 04/08/2014

Calendar Year 2013

Process Date Range	Disbursements				Dollar Amount			
	Disbursement Rejects	Stops	Voids	Total	Rejects	Stops	Voids	Total Dollar Amount
JANUARY 2013	0	1,639	9,704	11,343	\$ 0.00	\$ 290,635.55	\$ 1,097,716.58	\$ 1,388,352.13
FEBRUARY 2013	0	1,299	9,507	10,806	\$ 0.00	\$ 224,098.18	\$ 989,346.19	\$ 1,213,444.37
MARCH 2013	0	1,303	12,250	13,553	\$ 0.00	\$ 284,693.25	\$ 1,585,180.34	\$ 1,869,873.59
APRIL 2013	0	1,432	10,880	12,312	\$ 0.00	\$ 304,508.88	\$ 1,407,706.50	\$ 1,712,215.38
MAY 2013	0	1,520	10,565	12,085	\$ 0.00	\$ 417,649.43	\$ 1,326,273.72	\$ 1,743,923.15
JUNE 2013	0	1,385	8,856	10,241	\$ 0.00	\$ 239,638.15	\$ 1,066,726.71	\$ 1,306,364.86
JULY 2013	0	1,498	10,833	12,331	\$ 0.00	\$ 288,197.63	\$ 1,263,435.65	\$ 1,551,633.28
AUGUST 2013	0	1,468	9,815	11,283	\$ 0.00	\$ 286,645.53	\$ 1,070,062.03	\$ 1,356,707.56
SEPTEMBER 2013	0	1,299	9,087	10,386	\$ 0.00	\$ 241,221.40	\$ 1,182,335.47	\$ 1,423,556.87

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4200 Stop Request Transaction Confirmation

Annual



Reporting Level: CASDU
Date Range: 01/01/2013 - 12/31/2013
Query Timestamp: 04/08/2014 02:42:41 PM

Report ID: 4200
Report Date: 04/08/2014

Calendar Year 2013

Process Date Range	Disbursements				Dollar Amount			
	Disbursement Rejects	Stops	Voids	Total	Rejects	Stops	Voids	Total Dollar Amount
OCTOBER 2013	0	1,521	10,448	11,969	\$ 0.00	\$ 253,699.76	\$ 1,268,629.37	\$ 1,522,329.13
NOVEMBER 2013	0	1,377	7,653	9,030	\$ 0.00	\$ 282,690.87	\$ 939,002.34	\$ 1,221,693.21
DECEMBER 2013	0	1,575	8,608	10,183	\$ 0.00	\$ 272,894.32	\$ 914,087.86	\$ 1,186,982.18
Totals:	0	17,316	118,206	135,522	\$ 0.00	\$ 3,386,572.95	\$ 14,110,502.76	\$ 17,497,075.71

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Figure 9-22 RCD/DISB420 - 4200 Annual Stop Request Transaction Confirmation Report

9.7 5100 Disbursement Status Analysis – RCD/DISB 421

Table 9-7 RCD421 – 5100 Disbursement Status Analysis Definition Summary

Report Name	5100 – Daily Disbursement Status Analysis
	5100 – Monthly Disbursement Status Analysis
	5100 – Quarterly Disbursement Status Analysis
	5100 – Annual Disbursement Status Analysis
Identification Number	5100
	RCD/DISB421
Report Description	This report provides the total number and dollar amount of Paid, Stop, Void, Stale, ACH Return and, Pay Card Return.
Intended User	DCSS Accounting and OPMIS
Intended Use	Used to assist in balancing rejects with transactions.
Report Frequency	System generated – on demand. Daily, Monthly, Quarterly and Annually Annually refers to the following calendars: State Fiscal Year: July 1 – June 30; Federal Fiscal Year: October 1 – September 30; Calendar Year: January 1 – December 31. Annual report issued on request.
Number of Reports in Series	6 reports: Daily, Monthly, Quarterly, Annual: State Fiscal Year, Federal Fiscal Year, Calendar Year
Delivery Method	On Demand. Users will request report directly from the system.
Format	XLS, CSV - daily Monday – Friday
	XLS, CSV, PDF – Monthly, Quarterly and Annually
Report Appearance	Paper Size
	Paper Layout
	Margins
Remarks	

5100 Disbursement Status Analysis

Daily



Reporting Level: CASDU
 Date Range: 03/29/2013
 Query Timestamp: 04/23/2013 11:00:36 AM

Report ID: 5100
 Report Date: 04/23/2013

Process Date Range	Paid	Stop	Void	Stale	ACH Return	Paycard Return	Total
03/29/2013	10741 \$ 2,005,314.54	41 \$ 9,653.71	686 \$ 72,914.37	0 \$ 0.00	58 \$ 19,482.92	0 \$ 0.00	11526 \$ 2,107,365.54
Totals:	10741 \$ 2,005,314.54	41 \$ 9,653.71	686 \$ 72,914.37	0 \$ 0.00	58 \$ 19,482.92	0 \$ 0.00	11526 \$ 2,107,365.54

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Figure 9-23 RCD/DISB 421 – 5100 Daily Disbursement Status Analysis Report

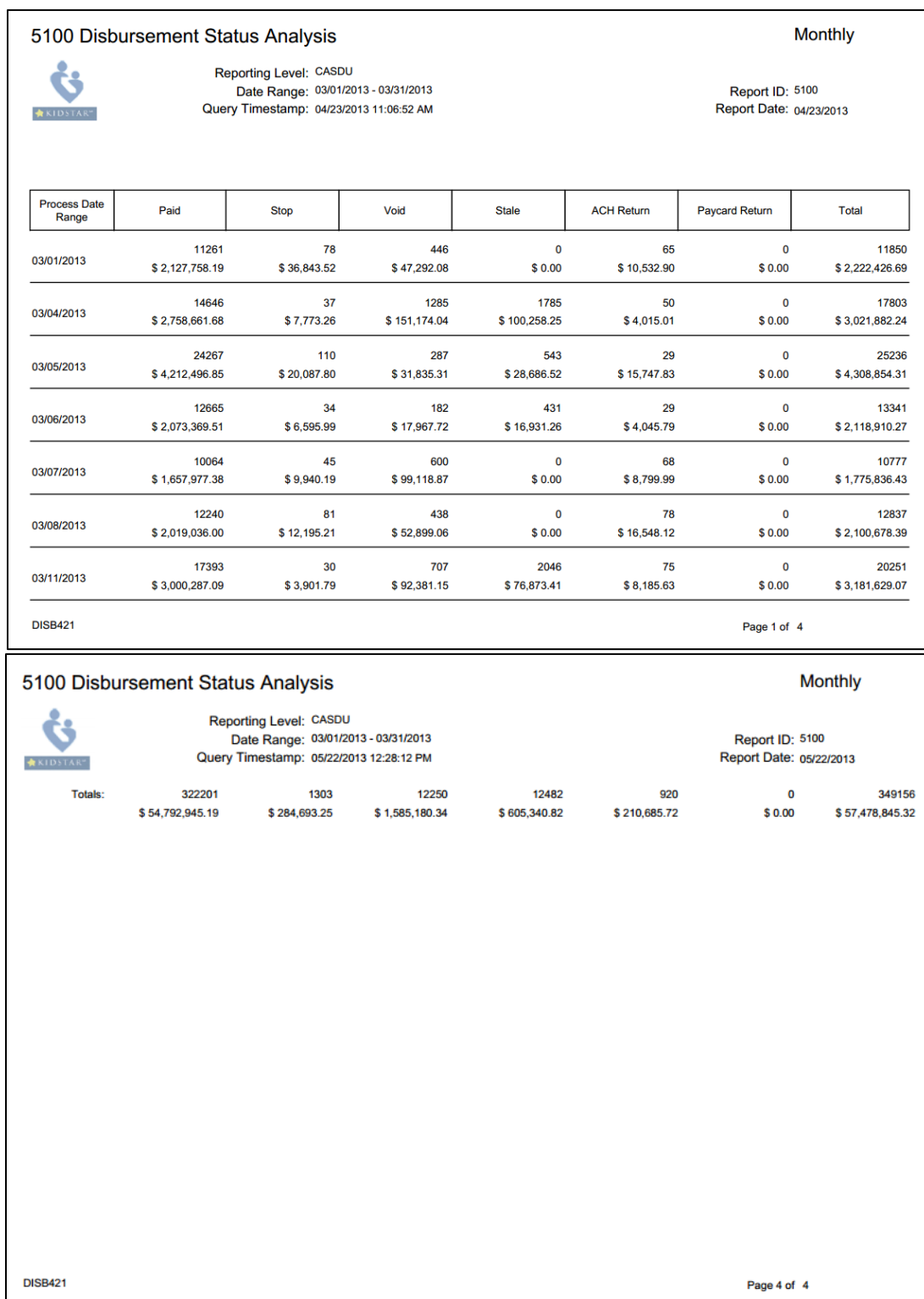


Figure 9-24 RCD/DISB 421 – 5100 Monthly Disbursement Status Analysis Report

5100 Disbursement Status Analysis

Quarterly

Reporting Level: CASDU

Date Range: 01/01/2013 - 03/31/2013

Query Timestamp: 04/23/2013 11:20:08 AM

Report ID: 5100

Report Date: 04/23/2013

Process Date	Paid	Stop	Void	Stale	ACH Return	Paycard Return	Total
JANUARY 2013	327262	1639	9704	12545	876	0	352026
	\$	\$ 290,635.55	\$ 1,097,716.58	\$ 679,151.12	\$ 117,591.67	\$ 0.00	\$ 50,421,885.25
FEBRUARY 2013	286020	1299	9507	11864	884	0	309574
	\$	\$ 224,098.18	\$ 989,346.19	\$ 570,857.60	\$ 130,936.78	\$ 0.00	\$ 44,897,456.46
MARCH 2013	322201	1303	12250	12482	920	0	349156
	\$	\$ 284,693.25	\$ 1,585,180.34	\$ 605,340.82	\$ 210,685.72	\$ 0.00	\$ 57,478,845.32
Totals:	935483	4241	31461	36891	2680	0	1010756
	\$ 146,011,953.23	\$ 799,426.98	\$ 3,672,243.11	\$ 1,855,349.54	\$ 459,214.17	\$ 0.00	\$ 152,798,187.03

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Figure 9-25 RCD/DISB 421 – 5100 Quarterly Disbursement Status Analysis Report



DB001 - SDU Disbursement Processes and Procedures

5100 Disbursement Status Analysis

Annual



Reporting Level: CASDU
Date Range: 01/01/2013 - 12/31/2013
Query Timestamp: 04/08/2014 02:14:12 PM

Report ID: 5100
Report Date: 04/08/2014

Calendar Year 2013

Process Date	Paid	Stop	Void	Stale	ACH Return	Paycard Return	Total
JANUARY 2013	327262 \$	1639 \$ 290,635.55	9704 \$ 1,097,716.58	12545 \$ 679,151.12	876 \$ 117,591.67	0 \$ 0.00	352026 \$ 50,421,885.25
FEBRUARY 2013	286020 \$	1299 \$ 224,098.18	9507 \$ 989,346.19	11864 \$ 570,857.60	884 \$ 130,936.78	0 \$ 0.00	309574 \$ 44,897,456.46
MARCH 2013	322201 \$	1303 \$ 284,693.25	12250 \$ 1,585,180.34	12482 \$ 605,340.82	920 \$ 210,685.72	0 \$ 0.00	349156 \$ 57,478,845.32
APRIL 2013	349126 \$	1432 \$ 304,508.88	10880 \$ 1,407,706.50	35853 \$ 1,189,838.66	845 \$ 205,649.53	4 \$ 8,328.59	398140 \$ 62,386,988.31
MAY 2013	338377 \$	1520 \$ 417,649.43	10565 \$ 1,326,273.72	13132 \$ 609,674.39	883 \$ 184,766.18	0 \$ 0.00	364477 \$ 58,807,587.68
JUNE 2013	310661 \$	1385 \$ 239,638.15	8856 \$ 1,066,726.71	14033 \$ 654,169.12	884 \$ 146,413.79	0 \$ 0.00	335819 \$ 50,825,550.49
JULY 2013	350144 \$	1498 \$ 288,197.63	10833 \$ 1,263,435.65	12869 \$ 616,425.55	796 \$ 181,009.46	0 \$ 0.00	376140 \$ 55,726,652.07

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5100 Disbursement Status Analysis

Annual



Reporting Level: CASDU
 Date Range: 01/01/2013 - 12/31/2013
 Query Timestamp: 04/08/2014 02:14:13 PM

Report ID: 5100
 Report Date: 04/08/2014

Totals:	3883278	17316	118206	193370	10623	4	4222797
	\$ 606,678,100.83	\$ 3,386,572.95	\$ 14,110,502.76	\$ 8,650,786.49	\$ 2,021,294.84	\$ 8,328.59	\$ 634,855,586.46

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Figure 9-26 RCD/DISB 421 – 5100 Annual Disbursement Status Analysis Report

9.8 CSE Disbursement Report – RCD 435/ST003

Table 9-8 RCD435ST003 - CSE Disbursement Report Definition Summary

Report Name	CSE Disbursement Report
Identification Number	ST003 RCD 435
Report Description	Also known as the funding letter.



DB001 - SDU Disbursement Processes and Procedures

Intended User	DCSS Management, OPMIS and Accounting		
Intended Use	Notifies the State about the level of funding needed in the State Disbursement Account.		
Report Frequency	Manually generated by SP Daily report must be received by DCSS no later than 1:00pm each business day.		
Number of Reports in Series	1 report		
Delivery Method	An unsigned RCD 435 report is available for DCSS accounting to pull from KidStar every business day. If access to KidStar reporting is unavailable, the CASDU accounting/reconciliation staff will email the unsigned report upon request. A signed copy of the report will be faxed to DCSS no later than 1:00 pm each business day. Fax number: (916) 464-5619 Email: SDU.Accounting@dcss.ca.gov		
Format	XLS, CSV - daily Monday – Friday Email and fax		
Report Appearance	Paper Size	Letter	
	Paper Layout	Landscape	
	Margins	Left/Right	0.5 Inch
		Top/Bottom	0.5 Inch
Remarks	Reconciles to Disbursement Balancing Report (RCD439) and to 3250 Draft Confirmation (RCD419)		



		CSE Disbursement Reports California State Disbursement Unit	Report ID: ST003 Run Date: 07/23/2013 Run Time: 12:27:33 PM As Of: 03/29/2013
Date:	Tuesday, July 23, 2013		
To:	Department of Child Support Services		
Fax Number:	(916) 464-5619		
Email:	SDU.Accounting@dcss.ca.gov		
From:	California SDU		
Email:	Casdu_reconciliation@acs-inc.com		
RE:	Disbursement Funding For March 29, 2013		
Total Paper Disbursements		\$ 1,372,730.00	
Number of Disbursements for Paper		9,339	
Total EPC Disbursements		\$ 747,633.01	
Number of Disbursements for EPC		7,650	
Total EFT Disbursements		\$ 2,347,410.34	
Number of Disbursements for EFT		14,360	
Total Disbursements		\$ 4,467,773.35	
Total Number of Disbursements		31,349	
Total Disbursements		\$ 4,467,773.35	
Total Number of Disbursements		31,349	
Prepared by:		Date:	
Review and Approved by:		Date:	
RCD435		Page 1 of 1	

Figure 9-27 RCD435 ST003 - CSE Disbursement Report

9.9 Disbursement Balancing – RCD 439

Table 9-9 RCD439 - Disbursement Balancing Definition Summary

Report Name	Disbursement Balancing		
Identification Number	RCD 439		
Report Description	This report provides a summary of the count and amount of the DINT, Rejects, requested deletes and processed deletes, which would provide funding totals.		
Intended User	CA SDU worker (print/mail operational staff) and Accounting		
Intended Use	Used by print staff to balance the Check Print File by comparing to the pre-processed file (DINT).		
Report Frequency	System generated. Daily and Monthly Scheduled		
Reports in Series	Daily Monthly		
Delivery Method	On Demand.		
Format	XLS, CSV - daily Monday – Friday		
Report Appearance	Paper Size	Letter	
	Paper Layout	Landscape	
	Margins	Left/Right	0.5 Inch
		Top/Bottom	0.5 Inch
Remarks	Report not requested by DCSS, but required for disbursement balancing processes.		



Disbursement Balancing

California State Disbursement Unit

Daily

Run Date: 04/23/2013

Run Time: 11:47:53 AM

As of: 03/29/2013

	DINT		Rejects		Delete Req.		Deletes		Disbursed	
	Count	Amount	Count	Amount	Count	Amount	Count	Amount	Count	Amount
ACH										
CCD	1,367	\$ 181,621.10	0	\$ 0.00	1	\$ 2,000.00	1	\$ 2,000.00	1,366	\$ 179,621.10
PPD	13,004	\$ 2,162,657.96	0	\$ 0.00	10	\$ 14,868.72	10	\$ 14,868.72	12,994	\$ 2,167,789.24
Sub Total	14,371	\$ 2,364,279.06	0	\$ 0.00	11	\$ 16,868.72	11	\$ 16,868.72	14,360	\$ 2,347,410.34
EPC	7,653	\$ 748,608.01	0	\$ 0.00	3	\$ 975.00	3	\$ 975.00	7,650	\$ 747,633.01
Paper Check	9,341	\$ 1,373,103.05	0	\$ 0.00	2	\$ 373.05	2	\$ 373.05	9,339	\$ 1,372,730.00
Grand Total:	31,365	\$ 4,485,990.12	0	\$ 0.00	16	\$ 18,216.77	16	\$ 18,216.77	31,349	\$ 4,467,773.35


Disbursement Method	Start Check #	End Check #
ACH	6008619297	6008633667
Paper Check	3005196137	3005205477
EPC	4004799612	4004807264

RCD439

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Figure 9-28 RCD439 - Daily Disbursement Balancing Report

DB001 - SDU Disbursement Processes and Procedures

<div>  <div> Disbursement Balancing California State Disbursement Unit Monthly </div> </div> <div> Run Date: 04/23/2013 Run Time: 11:50:18 AM As of: 03/01/2013 - 03/31/2013 </div>											
	DINT		Rejects		Delete Req.		Deletes		Disbursed		
	Count	Amount	Count	Amount	Count	Amount	Count	Amount	Count	Amount	
ACH											
CCD	59,122	\$ 7,587,443.84	0	\$ 0.00	29	\$ 31,591.11	29	\$ 31,591.11	59,093	\$ 7,555,852.73	
PPD	495,450	\$ 95,499,962.92	0	\$ 0.00	303	\$ 725,830.60	303	\$ 725,830.60	495,147	\$ 94,774,132.32	
Sub Total	554,572	\$ 103,087,406.76	0	\$ 0.00	332	\$ 757,421.71	332	\$ 757,421.71	554,240	\$ 102,329,985.05	
EPC	298,594	\$ 34,359,653.96	0	\$ 0.00	144	\$ 108,267.17	144	\$ 108,267.17	298,450	\$ 34,251,386.79	
Paper Check	352,581	\$ 58,622,741.19	0	\$ 0.00	280	\$ 456,538.22	280	\$ 456,538.22	352,301	\$ 58,166,202.97	
Grand Total:	1,205,747	\$ 196,069,801.91	0	\$ 0.00	756	\$ 1,322,227.10	756	\$ 1,322,227.10	1,204,991	\$ 194,747,574.81	

Disbursement Method	Start Check #	End Check #
ACH	6008079096	6008633667
Paper Check	3004852897	3005205477
EPC	4004508671	4004807264

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Figure 9-29 RCD439 - Monthly Disbursement Balancing Report

10 APPENDIX C: SOW CROSS REFERENCE TABLE

NO.	REFERENCE (STANDARD SECTION / SOW REFERENCE)	CHECKLIST ITEM	RESPONSE SECTION
Section 1: Processing disbursement instructions received from CSE			
1.	SR3.2.4	The SP shall initiate the process to authorize direct deposit by close of business the same day the request is received.	Section 5, Page 57
2.	SR3.2.5	The SP shall initiate the process to terminate direct deposit by close of business the same day the request is received.	Section 5.1, Page 58
3.	SR3.2.6	The SP shall support any DCSS program to achieve full paperless disbursements, so that all custodial parties, with limited exceptions approved by DCSS, shall receive disbursements via direct deposit or EPC.	Section 5.2, Page 58
4.	SR3.4.1	The SP shall provide the capability to disburse payments using methods including: 1) Direct Deposit 2) EPC 3) Paper Check.	Section 3.2, Page 25
5.	SR3.4.3	The SP shall comply with all requirements of Regulation E-Electronic Funds Transfers (12 CFR 205).	Section 5.3, Page 59
6.	SR3.4.4	The SP shall disburse payments in accordance with disbursement instructions received from CSE pursuant to the CSE/SDU IDD.	Section 3.2, Page 24
7.	SR3.4.11	The SP shall complete processing of disbursement instructions received from CSE by noon Pacific Time the same business day.	Section 3.12, Page 40
8.	SR3.4.12	The SP shall provide DCSS with a Disbursement Instructions Report for the disbursements to be issued the current business day by Noon Pacific Time each business day.	Section 3.12, Page 40
9.	SR3.4.13	The SP shall update disbursement statuses in the SP's system the same day the status is changed.	Section 3.18, Page 43
Section 2: Printing, sorting and mailing checks and associated notices and processing returned disbursement mail			
10.	SR3.4.20	The SP shall provide a remittance advice with each check.	Section 3.9.2, Page 34
11.	SR3.4.28	The SP shall update participant address information in CSE with information received from returned disbursements on the day received. The SP shall void all checks returned as undeliverable by the USPS on the day received.	Section 0, Page 50
12.	SR3.4.29	The SP shall void all checks returned as undeliverable by the USPS on the day received.	Section 4.1, Page 50
13.	SR7.1.5	The SP shall mail paper disbursements the same day disbursement instructions become available for processing.	Section 0, Page 40
Section 3: Transmitting EFT (Direct Deposit) disbursements			
14.	SR3.2.1	The SP shall process EFT/EDI, direct deposit and EPC transactions in conformance with the requirements defined by NACHA.	Section 3.10.1, Page 36
15.	SR3.2.2	The SP shall transmit Interstate child support collections and corresponding remittance data to other states using the most current NACHA-endorsed EFT/EDI standard for child support payments.	Section 3.10.2, Page 36
16.	SR3.2.3	The SP shall transmit electronic disbursements to other countries utilizing NACHA or other appropriate format when the receiving country has the ability to accept electronic payments.	Section 3.10.3, Page 36

NO.	REFERENCE (STANDARD SECTION / SOW REFERENCE)	CHECKLIST ITEM	RESPONSE SECTION
17.	SR3.2.7	The SP shall initiate EFT reversals only upon request of DCSS.	Section 3.10.5, Page 37
18.		Explain the process that will be used to reverse EFTs.	Section 3.10.5, Page 37
19.	SR7.1.6	The SP shall transmit electronic disbursements the same day disbursement instructions become available for processing.	Section 3.10.4, Page 37
Section 4: Transmitting EPC disbursements			
20.	SR3.3.23	The SP shall fund the EPC cards according to disbursement instructions received from CSE.	Section 3.10.6, Page 39
21.	SR3.3.36	The SP shall allow DCSS to initiate reversals for any credit entries to the EPC card made in error, per NACHA regulations.	Section 3.10.5, Page 37
22.		Explain the process that will be used to reverse credit entries to EPCs.	Section 3.10.5, Page 37
Section 5: Disbursement financial reconciliation			
23.	SR3.1.3	The SP shall internally reconcile transactions at the following disbursement processing points:	Section 6.1, Page 62
		1) After receiving instructions to disburse payments	
		2) Conclusion of disbursement batch processing	
		3) Prior to transmitting results of executing disbursement instructions to CSE	
		The SP shall report all unreconciled disbursement processing points to a DCSS-designated e-mail address within one hour of identification.	
24.	SR3.1.4	The SP shall reconcile all disbursement bank accounts daily and monthly and report all unreconciled items to a DCSS-designated e-mail address within one hour of identification.	Section 6.2, Page 64
25.	SR3.1.7	The SP shall provide copies of all bank account monthly reconciliations to DCSS within five (5) business days after the end of the month.	Section 6.3, Page 68
26.	SR3.4.10	The SP shall reconcile the daily disbursement amount against the CSE daily disbursement instructions received.	Section 3.11, Page 39 and Section 6.1, Page 62
Section 6: Exception processing (e.g. voiding checks, returned checks, reprint checks damaged in production, and lost or stolen checks)			
27.	SR3.4.15	The SP's system shall allow authorized State staff to:	Section 3.4, Page 26
		1) Delete a disbursement	
		2) Place a stop payment on a check	
		3) Void a check	
28.		Explain the process for authorized State staff to delete disbursements, place stop payments, and void checks.	Section 3.4, Page 26
29.	SR3.4.16	The SP's system shall prevent deletion of individual disbursement records from disbursement instructions that contain multiple records.	Section 3.5, Page 27
30.	SR3.4.17	The SP shall not delete disbursements unless instructed to do so by the State.	Section 3.6, Page 28

NO.	REFERENCE (STANDARD SECTION / SOW REFERENCE)	CHECKLIST ITEM	RESPONSE SECTION
31.	SR3.4.18	The SP's designated supervisory staff shall have the ability to manually pull a disbursement check from the disbursement stream, prior to mailing, in accordance with DCSS business rules.	Section 4.3, Page 51
32.	SR3.4.32	The SP's system shall allow authorized State staff a minimum of three (3) hours, within the hours of 8:00 A.M to 5:00 P.M., each business day, to perform disbursement deletes, stop payments and voids.	Section 3.5, Page 27
33.		NOTE: Currently, this time to perform disbursement deletes, stop payments and voids is between the hours of 7:00 A.M and 11:00 A.M. The State would prefer to keep this same schedule.	Section 3.5, Page 27
34.	SR6.1.5	The SP shall maintain a Disbursement Check Error Log to account for any gap in check numbers, (e.g., destroyed or mutilated checks due to equipment malfunction). Data logged will be defined in the SDU Disbursement Processes and Procedures Plan (CDL DB 001).	Section 3.15, Page 41
Section 7: Security of check disbursements awaiting mailing			
35.	SR6.1.10	The SP shall maintain a Cage Access Log to record all access and activity of persons entering the secured area where disbursement items awaiting mail pick-up are stored.	Section 3.16, Page 42
Section 8: Data transmission processes and procedures, including applicable diagrams			
36.	SR3.1.6	The SP shall email an unsigned copy of the funding letter to DCSS as soon as it is available, and fax a signed copy of the funding letter to DCSS by 1:00 P.M. Pacific Time each business day.	Section 3.13, Page 40 Section 3.19, Page 44
37.	SR3.4.5	<p>The SP shall capture and maintain disbursement data that shall include, but not be limited to:</p> <ol style="list-style-type: none"> 1) Obligor Name 2) Check number or other electronic tracking number 3) Status: <ol style="list-style-type: none"> a) ACH return; b) deleted; c) EPC rejected; d) EPC return; e) stale; f) pending disbursement; g) paid; h) void; i) stop 4) Date of disbursement status 5) Payee Name 6) Payee Address 7) Payee - CSE Participant ID Number 8) Payee - SSN 9) Payee - Account Routing Number 10) Payee - DDA Number 11) Disbursement ID 12) Date disbursement instruction received 13) Date disbursement issued 14) Amount disbursed 15) Disbursement method 16) Template indicator 17) Disbursement account type 18) Physical collection ID 19) Logical collection ID 	Section 7, Page 79

NO.	REFERENCE (STANDARD SECTION / SOW REFERENCE)	CHECKLIST ITEM	RESPONSE SECTION
		20) Date of collection	
		21) Logical collection payment source	
		22) Case type	
		23) Obligor Name	
		24) CSE Case Number	
38.	SR3.4.6	The SP shall provide authorized State users with online access to search and retrieve disbursement data and images using one or more search criteria as agreed upon by DCSS and the SP, including but not limited to:	Section 7.1, Page 79
		1) Disbursement:	
		a) disbursement amount	
		b) logical collection ID	
		c) disbursement ID	
		d) disbursement check number or other electronic tracking number	
		2) Payee:	
		a) payee participant ID	
		b) payee last name, first name	
		c) payee last name	
		d) payee SSN	
		3) Date:	
		a) range, b) equal to, c) greater than	
		4) Disbursement Status:	
		a) ACH return	
		b) deleted	
		c) electronic pay card disbursement rejection	
		d) pay card return	
		e) stale	
		f) pending disbursement	
		g) paid	
		h) void	
		i) stop	
39.	SR3.4.14	The SP's system shall allow wildcard searches as agreed to between DCSS and the SP.	Section 7.2, Page 80
40.	SR6.2.4	The SP shall report disbursement activities based on actual SDU transactions and data and not derive reporting data based on CSE transactions received.	Section 7.3, Page 81
41.	SR6.2.16	The SP shall provide DCSS with the following daily disbursement-related reports:	Section 7.3.1, Page 81
		1) Disbursement Instructions Report - by disbursement method (Example is titled: "Draft Confirmation") - due to DCSS by noon each State business day and to report on disbursements to be issued that day	
		2) File Confirmation Report	

NO.	REFERENCE (STANDARD SECTION / SOW REFERENCE)	CHECKLIST ITEM	RESPONSE SECTION
		3) Transaction Confirmation Report	
		4) Delete Request Transaction Confirmation Report	
		5) Stop Request Transaction Confirmation	
		6) Stop/Void Analysis by Date Report	
		7) Disbursement Status Report (Example is titled: "Payment Status Analysis")	
42.	SR6.2.17	The SP shall provide DCSS with the following monthly disbursement-related reports:	Section 7.3.1, Page 81
		1) EPC Activity Report (contents to be defined in CDL DB 001)	
		2) Disbursement Instructions Report - by disbursement method (Example is titled: "Draft Confirmation")	
		3) File Confirmation Report	
		4) Transaction Confirmation Report	
		5) Delete Request Transaction Confirmation Report	
		6) Stop Request Transaction Confirmation	
		7) Stop/Void Analysis by Date Report	
		8) Disbursement Status Report (Example is titled: "Payment Status Analysis")	
43.	SR6.2.18	The SP shall provide DCSS with the following quarterly disbursement-related reports:	Section 7.3.1, Page 81
		1) EPC Activity Report	
		2) Disbursement Instructions Report - by disbursement method (Example is titled: "Draft Confirmation")	
		3) File Confirmation Report	
		4) Transaction Confirmation Report	
		5) Delete Request Transaction Confirmation Report	
		6) Stop Request Transaction Confirmation	
		7) Stop/Void Analysis by Date Report	
		8) Disbursement Status Report (Example is titled: "Payment Status Analysis")	
44.	SR6.2.19	The SP shall provide DCSS with the following annual disbursement-related reports, when requested by DCSS:	Section 7.3.1, Page 81
		1) EPC Activity Report	
		2) Disbursement Instructions Report - by disbursement method (Example is titled: "Draft Confirmation")	
		3) File Confirmation Report	
		4) Transaction Confirmation Report	
		5) Delete Request Transaction Confirmation Report	
		6) Stop Request Transaction Confirmation	
		7) Stop/Void Analysis by Date Report	
		8) Disbursement Status Report (Example is titled: "Payment Status Analysis")	
Section 9: Fraud prevention measures			

NO.	REFERENCE (STANDARD SECTION / SOW REFERENCE)	CHECKLIST ITEM	RESPONSE SECTION
45.	SR3.1.8	The SP shall utilize a "Positive Pay" tool for the disbursement bank account used for issuing check disbursements.	Section 7.5, Page 85
46.		Describe how the SP will handle a disbursement check that is not paid because it does not match the Positive Pay File.	Section 7.5, Page 85
47.		Describe how the positive pay rejected item will be handled.	Section 7.5, Page 85
48.	SR3.4.30	The SP shall have a process to investigate and attempt recovery of fraudulently redeemed funds as defined in the SDU Disbursement Processes and Procedures (CDL DB 001).	Section 6.5.1, Page 70 Section 7.6, Page 86
49.	SR3.4.31	The SP shall deposit fraudulent transaction recovery funds, whenever received, in a State-designated bank account and notify the State of the action.	Section 7.6, Page 87
Section 10: Banking procedures			
50.	SR3.1.1	The SP shall establish three (3) demand/sweep bank accounts with no offsetting of fees, at any CTS bank. The accounts are to be used for: 1) Check disbursements 2) ACH and EPC disbursements 3) Returned ACH and EPC disbursements	Section 6.5, Page 69
51.	SR3.1.2	The SP shall provide on-line read-only banking statement access to all SP-owned disbursement accounts to a minimum of three (3) and maximum of six (6) DCSS staff.	Section 6.6, Page 72
52.	SR3.4.7	The SP shall create and maintain a Disbursement Register daily. The Disbursement Register shall include, but is not limited to: 1) Check or transaction number 2) Date issued 3) Amount issued 4) CSE participant ID 5) Payee name.	Section 6.7, Page 73
53.	SR3.4.8	The SP's Disbursement Register shall account for checks and electronic disbursements that are: 1) Voided 2) Canceled 3) Paid 4) Stopped 5) Deleted.	Section 6.8, Page 76
54.	SR3.4.9	The SP's Disbursement Register shall be available to DCSS for inspection immediately upon request.	Section 6.9, Page 76
55.	SR5.5.4	The SP shall image cashed disbursement checks.	Section 6.9, Page 76

11 APPENDIX D: GLOSSARY

Term	Definition
ABA	American Bankers Association
ABC	Achievement Based Compensation
Access	The ability of a person or process to view, change or communicate with an object.
Accountability	The state of being accountable, liable, or answerable
ACD	Automatic Call Distribution/Distributor
ACF	Administration for Children and Families
ACH	Automated Clearing House. The ACH Network is a batch processing, store-and-forward system, governed by The NACHA Operating Rules, which provide for the interbank clearing of electronic payments for participating depository financial institutions. Transactions received by the financial institution during the day are stored and processed later in a batch mode. Rather than sending each payment separately, ACH transactions are accumulated and sorted by destination for transmission during a predetermined period. This provides significant economies of scale. It also provides faster processing than paper checks, which must be physically handled. Instead of using paper to carry necessary transaction information, ACH transactions are transmitted electronically between financial institutions through data transmission.
Action Transmittal	The means by which the ACF disseminates information regarding and policy interpretations of federal regulation.
Activity	A major unit of work to be completed in achieving the objectives of the project. An activity has precise starting and ending dates, incorporates a set of tasks to be completed, consumes resources, and results in work products. An activity may contain other activities in a hierarchical manner.
Administration for Children and Families (ACF)	The Administration for Children and Families (ACF), within the U.S. Department of Health and Human Services (HHS) is responsible for federal programs that promote the economic and social well-being of families, children, individuals, and communities. One of those programs is the Child Support Program.
Administrative	

Requirements	Requirements that pertain to doing business with the State of California or the federal government; e.g., compliance with the Americans with Disabilities Act.
AFT	Audit Facilitation Team
Agency Use of Contractors	The agency must identify all contractors with access to FTI and the purpose for which access was granted.
Agent	The Executive Officer of the Franchise Tax Board and its duly authorized representative(s).
AICPA	American Institute of Certified Public Accountants
ANSI	American National Standards Institute
API	Application Program Interface
ARP	Account Reconciliation Program provided by the bank as an extension of the Positive Pay service.
ARU	Audio Response Unit
ASD-011	Acknowledgement of Understanding
Assets	Something of value, which we are trying to protect.
Audit	An official examination (of records, performance, work) to validate compliance with specific criteria.
Audit Trail	Accounting: the process or an instance of cross- referring each bookkeeping entry to its source in order to facilitate checking its accuracy. Computers: a track of a particular item of output data back through the processing steps that produced it to the corresponding input data.
Authentication	The process of proving that an individual is who he/she claims to be. Authentication is a measure used to verify the identity of an individual and the availability of that person to access certain information.
Authorization	The granting of privileges to an individual, a program, or a process. The process of determining whether a user is allowed access to a data resource.
Availability	The degree to which a system or component is operational and accessible when required for use and often expressed as a probability. See also: fault tolerance.
Backup	A system, component, or file available to replace or help restore a primary item in the event of a failure or externally caused disaster; copying of data

	to a medium from which the data can be restored if the original is destroyed or compromised.
BAI2	A file format standard used in the banking industry.
Baseline Compensation	Calculation of the disbursement transaction rate multiplied by the number of disbursement transactions processed over the life of the contract.
Batch	A group of documents or data records that are processed as a unit.
Batch Processing	The running of a batch file; a stored group or "batch" of operating system commands carried out sequentially without user intervention. Batch processing also refers to the process of storing transactions for a period of time before they are posted to a master file, typically in a separate operation undertaken at night.
BC/DR	Business Continuity and Disaster Recovery plans
BDR	Backup and Disaster Recovery Plan
Bidder	The term for a Qualified Business Partner that has submitted a "Letter of Intent to Respond" to the RFP.
BIN	Bank Identification Number
BOA	Bank of America
BRD	Business Requirements Document
Business Day	Any day of the week the State or any Local Child Support Agency is open for business. In general, Monday through Friday, excluding holidays.
Business Goals	The compilation of successful statewide policies, procedures, and guidelines that have as their goal the improvement and standardization of the Child Support Program.
Business Partner (BP)	The firm awarded the Child Support Enforcement (CSE) contract following the evaluation and selection of CSE proposals submitted by qualified business partners.
Business Problem Statement	Refers to a defined business issue or situation that the statewide system must solve.
Business Rules	The rules that support the business processes affected agencies follow.
California Child Support Automation System	

(CCSAS)	Term defining the automated statewide child support enforcement system that must be operated in all counties and will include a Statewide Disbursement Unit (SDU), a State Case Registry (SCR), and other necessary databases and interfaces.
California Department of Child Support Services (DCSS)	The State department within the Health and Human Services Agency created by legislation to administer the child support program in California. The department, (formerly known as the Office of Child Support) was separated from the California Department of Social Services, January 1, 2000. Department of Child Support Services is designated as the State agency responsible for all child support enforcement in California.
CAP	Corrective Action Plan
CapEx	Capital Expenditure
CAPS	CESG Assisted Products Scheme
Case	1) A noncustodial parent, whether mother, father, or alleged father, a custodial party, and a dependent child or children. The custodial party may be one of child's parents, or other relative or caretaker including a foster parent. If both parents are absent and liable or potentially liable for the support of the child(ren), each parent is considered a separate case. 2) A collection of members associated with a particular child support order, court hearing, and/or request for IV-D services. Every child support case has a unique case identification (ID) number and, in addition to names and identifying information about its members, includes information such as custodial party and non-custodial parent wage data, court order details, and non-custodial parent payment history
CCB	Change Control Board
CCR	Configuration Change Request
CCRM	Configuration Change Request Management System
CCSAS Acceptance Repository	The repository used to file and maintain information, including electronic documentation, comments, status and reporting information.
CCSAS Project	An information technology effort and a services acquisition mandated by California law to procure, develop, implement, and maintain a single statewide automated system as executed by the Department of Child Support Services and Franchise Tax Board organizations.
CCSAS Project Charter	Agreement among the Project Owner, Project Agent, and the Secretary of Health and Human Services Agency providing guiding principles for the

	CCSAS Project. The Charter identifies individuals affected by the project, defines project goals, scope, and establishes the project governance structure.
CCSAS Project Staff	Staff of the Department of Child Support Services (DCSS) who participate on or support the CCSAS Project.
CCTV	Closed Circuit Television
CCV2	Card Verification Value
CDL	Contract Deliverable
Certified	A state child support system which achieves Administration for Children and Families certification (including Personal Responsibility and Work Opportunity Reconciliation Act) because it meets specific federal requirements.
CEO	Commercial Electronic Office, Wells Fargo Bank's online reporting service.
CESG	Communications-Electronics Security Group
CIP	Continuous Improvement Process
CFR	See Code of Federal Regulations.
CGI	Technology and Solutions
Change Management	The process of preparing staff and customers for impending changes to systems and services.
Change Request	A formal request to change that would result in a change to baseline requirements. Change requests are submitted, analyzed, evaluated and adopted/denied in accordance with a defined process.
Chargeback	The return of funds to a consumer, forcibly initiated by the consumer's issuing bank.
Child Support	The legal obligation of parents to provide financial support for their minor children, enforceable in both civil and criminal contexts. Child support can be entered into voluntarily or ordered by a court or properly empowered administrative agency. Child support includes medical support and interest on delinquent child support obligations.
Child Support Enforcement (CSE) System	The statewide child support case and financial management system known as the Child Support Enforcement System (CSE). CSE is a robust federally certified system, having received certification in November 2008.
Child Support Program	

(CSP)	The programs administered by the Department of Child Support Services, in cooperation with Local Child Support Agencies to locate parents, establish, enforce and modify child support orders, and collect and distribute child support.
CISO	Xerox Computer Information Systems Office
Classification	The process by which information is identified as to its level of sensitivity and importance to the department.
CLCA	Certification of Occupancy
Clean Collection	A term used to describe the process of presenting a foreign negotiable instrument to the issuing financial institution for the purpose of obtaining payment.
CM	Configuration Management
CO	Central Office (telecommunication lines)
COB	Close of Business
Code of Federal Regulations (CFR)	The annual accumulation of federal executive agency regulations published in the daily Federal Register, combined with previously issued regulations that are still in effect.
Collection(s)	Child Support payments received by the State Disbursement Unit (SDU) or Local Child Support Agency (LCSA). The amount of support payment received from a noncustodial parent, or other person, agency or employer on behalf of an obligor who is ordered by the court to pay support on behalf of the children, spouse or family.
Commerce Channel	The methods and infrastructure that enables and supports the exchange of monies.
Compensation Model	A descriptive model of a method used to determine the basis and timing of payments made to the Service Provider for contract services.
Confidential Information	Information maintained by state agencies that is exempt from disclosure under the provisions of the California Public Records Act (Government Code, Sections 6250-6265) or other applicable state or federal laws. Examples of confidential information might include names; addresses; social security numbers; financial information including income, deductions, credits, federal or state tax returns, debt collection information for child support, and/or court fees; personnel records; and criminal offender record information, including attorney-client information/work product.

Conform	To act in accordance with the rules.
Consistency	The degree of uniformity, standardization, and freedom from contradiction among the documents or parts of a system or component.
Contract	This contract or Service Agreement, by whatever name known or in whatever format used. The terms “contract”, “Service Agreement” and “Agreement” may be used interchangeably.
Contract Deliverable List	A set of contract deliverable description forms that represents all contractually required deliverables.
Contract Deliverables	Documents to be produced by the Service Provider required to be delivered to the State by this contract, described on the Contract Deliverable List.
Contractor	See Service Provider
Conversion	Changing from one automated environment to another. The period covers data and image preparation through system implementation. Tasks include, at a minimum: mapping data and images from one system to another, extraction of data and images and loading into new environment, validation and reconciliation.
COO Closed Loop Corrective Action	
Correction	Action to eliminate a presenting non-conformity or service performance issue (e.g., resend a file, correct a data error). Corrections do not address problem causation.
Corrective Action	Action to prevent the reoccurrence of a presenting non-conformity or performance issue by identifying and eliminating root causes. Corrective action focuses on future performance by addressing capability or reliability of systems and processes.
Corrective Action Plan	Reports all corrective actions taken or planned to address findings arising from the last on-site safeguard review until all findings are closed.
COT	Corporate Oversight Team
COTS	Commercial off the Shelf (software)
Court Order	A formal legal decision issued by a court, requiring specific action. A legally binding edict issued by a court of law. Issued by a magistrate, judge, or properly empowered administrative officer. A court order related to child support can dictate how often, how much, what kind of support a non-custodial parent is to pay, how long he or she is to pay it, and whether an employer must withhold support from their wages.

CP	See Custodial Party
CR	Change Request
CRB	Change Review Board
CRM	Customer Relationship Management
CRMP	CCSAS Change Request Management Plan
CSE	Child Support Enforcement (System)
CSOP	CCSAS Systems Operations Plan
CSR	Customer Service Representative
CSU	Customer Service Unit
CTS	Centralized Treasury System
Custodial Party	The party having primary physical custody of the child or children. May be a parent, relative, or other caretaker including foster parent or group home.
CVS	Concurrent Versioning System
Database	A shared collection of logically related data (and a description of this data), designed to meet the information needs of an organization.
Data Conversion Tool (DCT)	A web-based tool that provides both data conversion and client staff with a single repository for the creation and maintenance of conversion requirements and information.
Data Element	The individual data component.
Data Maps	Data maps define how a table or field in the source system maps to the target system, including any derivation algorithms that must be applied.
Data Reconciliation	The process of validating that the number of records is in sync after each step of the conversion process.
Data Table	A collection of records that contains logically related data.
Data Validation	The process by which individual and related fields are edited for accuracy.
DBAN	Darik's Boot and Nuke
DCSS	Department of Child Support Services
DDA	Demand Deposit Account

DDET	Disbursement Delete File
Decision Point	A question which may hold up completion of a mapping or derivation activity.
Defect	A non-conformity to an established standard - principally used to describe service delivery defects or software defects. A service delivery item that is delivered out of compliance is considered to be defective, while each non-conformity present in the service delivery item is considered a defect. Software defects describe identified non-conformities to specifications. Defects may or may not be viewed as problems.
Defect Correction Priority	The DR will be assigned a suggested priority.
Defect Severity	Each defect will be assigned a severity, to measure the impact of the problem to the system, and a priority, to measure the criticality/necessity of the fix. This combination of severity/priority is used by project management in determining the order in which problems will be resolved.
Deliverables	Any measurable, tangible, verifiable outcome, result, or item that must be produced.
Department of Child Support Services	See California Department of Child Support Services.
DINT	Disbursement Instruction File
DIR	Disbursement Information, record type contained in the Disbursement Instruction (DINT) file received from CSE
Disaster	A condition in which an information asset is unavailable, as a result of a natural or man-made occurrence, that is of sufficient duration to cause significant disruption in the accomplishment of agency program objectives, determined by agency management.
Disaster Recovery	The term used to describe procedures that provide a plan for duplicating computer operations after a catastrophe occurs, such as a fire or earthquake. It includes routine off-site backup as well as a procedure for activating necessary information systems in a new location.
Disaster Recovery Plan	A documented and tested plan for responding to an emergency. Also known as: the Business Continuity Plan, Business Contingency Plan, or Operational Recovery Plan.
Disbursement	The dispensing or paying out child support to a custodial party or third party payee.

Disclosure Awareness Program	Each agency receiving FTI should have an awareness program that annually notifies all employees having access to FTI of the confidentiality provisions of the Internal Revenue Code (IRC), a definition of what returns and return information is, and the civil and criminal sanctions for unauthorized inspection or disclosure.
Disposal	A description of the method(s) of disposal of the different types of FTI provided by the IRS when not returned to the IRS.
Distribution	The application of monies to specific accounts to determine the appropriate disbursement of monies. Applying monies to specific debt types within a case via the approved Department of Child Support Services algorithm, after initial allocation (multiple case scenarios only) has been performed.
DMAIC	Define Measure Analyze Improve Control, the Six Sigma Problem Resolution approach.
DoD	Department of Defense
DORI	Disbursement Origination File
DR	Disaster Recovery
DREJ	Disbursement Reject File
DRR	Disbursement Remittance Record
Dry Run Test (DRT)	The purpose of the DRT is to simulate the cutover and validate converted data within the target application.
DSD	Detailed System Design
DSTA	Disbursement Status File
DVBE	Disabled Veteran Business Enterprise
DVR	Digital Video Recorder
EAC	Executive Advisory Committee
ECSS	Enterprise Customer Service Solution
EDI	Electronic Data Interchange
Efficiency	The degree to which a component performs its designated functions with minimum consumption of resources.
EHD	Electronic Help Desk

EIN	Employer Identification Number
Electronic Funds Transfer (EFT)	Process by which money is transmitted electronically from one bank account to another.
Emergency	An emergency is any unplanned event that can cause deaths or significant injuries to employees, customers or the public; or that can shut down the business, disrupt operations, cause physical or environmental damage, or threaten the facility's financial standing or public image.
EMT	Employ/Modify/Terminate software used to establish employee system access rights
Enforcement	The application of remedies to obtain payment of a child, spousal, or medical support obligation contained in a child and/or spousal support order.
Entity	Any business unit, department, group, or third party, internal or external to the SDU, responsible for maintaining SDU assets.
Evaluation Team	The staff responsible for evaluating proposals submitted by bidders in response to the Request for Proposal.
Environment	A set of hardware and software resources that support the execution of the system. Releases are deployed to environments.
EPC	Electronic Payment Card
EOD	End of Day
EPPIC SM	Electronic Payment Processing Information Control
EPS	Electronic Payment Services
ERD	Entity Relationship Diagram
External Entity	Agencies, financial institutions, employers, etc. outside the Department of Child Support Services (DCSS) that are stakeholders in the CCSAS Project.
Federal Certification Requirements	A set of automated system federal business requirements, which must be complied with by a state in order to receive enhanced funding and be eligible for certification that the automated system meets all criteria. CCSAS CSE complies with all Federal certification requirements.
FL-191	California Case Registry Form (Judicial Council Form)
FL-195	California Income Withholding for Support Form (Judicial Council Form)

FTP	File Transfer Protocol; see also SFTP
GAAS	Generally Accepted Auditing Standards
Generally Accepted Accounting Principles	A widely accepted set of rules, conventions, standards, and procedures for reporting financial information, as established by the Financial Accounting Standards Board.
GO	A platform on the EPPIC system to provide the electronic disbursement of funds via a Comerica Bank branded MasterCard debit (EPC) card that allow CPs residing outside of the U.S. to receive and utilize an EPC card.
Help Desk	Services to assist employers, CPs, and NCPs and other states to establish electronic payments and disbursement methods and respond to DCSS and LCSA questions and problems.
HID	Human Interface Device
IDB	See Intercept Data Base
ICD	Interface Control Document
IDC	Image Data Capture
IDS	Intrusion Detection Systems
ICL	Image Cash Letter
iFrame	An HTML structure that allows another HTML document to be inserted into an HTML page. The iFrame is set up as a window frame of a specified size that scrolls along with the rest of the page, but the iFrame's content can itself be scrolled if it is larger than the iFrame window.
IFT	See In Trust For
ILS	Integrated Logistics Support
Implementation	The State Disbursement Unit implementation includes all activities related to the preparation for providing SDU services. It includes the business activities related to the adoption of the Department of Child Support Services policies and procedures.
Incident	Any event occurring during the execution of a system that requires investigation.
Income Withholding	Procedure by which regular deductions are made from wages or income to pay a debt such as child support. Income withholding often is incorporated into the child support order and may be voluntary or involuntary. The

	employer must withhold support from a non-custodial parent's wages and transfer that withholding to the SDU.
Industry Standard	Process or document standard available to the general public (e.g. IEEE, ISO, EIA).
Informational System	The system or systems designed to support business analysis using accumulated amounts of the organization's operational data.
Information Security	The protection of automated information from unauthorized access (accidental or intentional), modification, destruction, or disclosure.
Information Technology (IT) Security	A description of all automated information systems and networks that receive, process, store, or transmit FTI.
Infrastructure	The fundamental structure of the system. This structure is composed of the physical facilities used to transmit, store, process, and display voice, data, and images and includes an interconnection of computers and telecommunication networks, services, and applications.
ININ/I3	Interactive Intelligence Inc.
Inline Frame	See iFrame.
Integrity	A protection principle that keeps information from being modified or otherwise corrupted either maliciously or accidentally. Integrity is assured when data can be changed only in a specified and authorized manner.
Intercept	A method of securing child support by taking a portion of nonwage payments made to a noncustodial parent. Nonwage payments subject to intercept include federal tax refunds, State tax refunds, unemployment benefits, and disability benefits.
Intercept Data Base	(IDB). The DCSS-owned IDB collects intercept information from various sources including the U.S. Department of Treasury's Financial Management System (FMS), California Employment Development Department (EDD), and the California Franchise Tax Board (FTB). The data is compiled and sent to the SDU.
Interface	A shared boundary across which information is passed.
Interface Control Document (ICD)	The Xerox standard for defining an interface between two systems. The ICD provides detailed data elements and document structure which is to be used in the development of the interface solution.
Interface Design	

Document (IDD)	The DCSS standard for defining an interface between two systems. The IDD provides detailed data elements and document structure which is to be used in the development of the interface solution.
Internal Controls	Processes effected by management which are designed to provide reasonable assurance regarding achievement of objectives in the following categories: effectiveness and efficiency of operations; reliability of cash handling and financial reporting; and compliance with applicable laws, regulations, policies, standards, etc.
Internet	A global network connecting millions of computers. Unlike online services, which are centrally controlled, the Internet is decentralized by design. Each Internet computer, called a host, is independent. Its operators can choose which Internet services to make available to the global Internet community
IPR	In-Process Review meetings are conducted bi-weekly by DCSS to provide information about the project and identify issues or risks that may impact operations readiness assessment and the go-live decision for production implementation.
IR	Incident Response Security Controls
IR/CM	Incident Reporting and Crisis Management
ISDN	Integrated Services Digital Network
ISM	Information Security Manual
ISO	Information Security Office
IT/IS	Information Technology/Information Systems
In Trust For (IFT)	Electronic Payment Account (EPC ITF) maintained for the benefit of the cardholders.
ITO	Information Technology Outsourcing
iTools	Proprietary CGI tool for reporting project status
IV-A	Refers to the entitlement program authorized under Title IV-A of the Social Security Act covering the Federal- State Public Assistance Program. (See United States Code Service Section 601, et seq.)
IV-A Agency	In California the California Department of Social Services (CDSS) provides funding and regulatory direction to county welfare departments. See also: IV-A.
IV-D	Refers to Part D of Title IV of the Social Security Act, which requires that each state create programs to locate noncustodial parents, establish

	paternity, establish and enforce child support obligations, and collect and distribute support payments. Title IV-D also established the Federal Office of Child Support Enforcement. (See United States Code Service Section 651 et seq.)
IV-D Agency	The single and separate organizational unit within the state government that has the responsibility for administering the child support program under Title IV-D. In California this is the Department of Child Support Services (DCSS).
IVR	Interactive Voice Response. An automated system where the caller may call in, get general information, specific information, leave messages and receive messages.
IWSE	IdeaWorks Software Engineering
JAD	Joint Application Design
KidStar (KS)	RDBMS of record for the SDU; the SDU360 core system.
KidStar UI	User Interface in KidStar
LAN	Local Area Network
LOB	Line of Business (Xerox)
Local Child Support Agency (LCSA)	The county office or department that has entered into a cooperative agreement with the California Department of Child Support Services to secure child, family, spousal and medical support, and determine paternity. The Local Child Support Agency is separate and independent from any other county department.
Local Payment Date	The date that the payment is received by the Local Child Support Agency for the purpose of tracking walk in payments.
Location of the Data	An organizational chart or narrative description of the receiving agency, that includes all functions within the agency where FTI will be received, processed or maintained.
Logical Collection	The portion of a physical collection representing a single NCP's child support payment.
LTO	Linear Tape-Open tape drives
MAC	Move/Add/Change tracking system

Metadata	Definitional data that provides information about or descriptions of an image. For example, index metadata can include data that describes the type of image, attributes about the image file itself, or how it is associated.
Microsoft SQL Server	A Microsoft database management system that can respond to queries from client machines formatted in the SQL language.
Milestone	A significant event in the project, usually completion of a major deliverable.
Misdirected Payments	Payment envelopes which have been delivered to the SDU but are addressed to another recipient.
MPLS	Micro-protocol Label Switching Network
NACHA	National Automated Clearing House Association. NACHA is a not-for-profit association, led by member depository financial institutions and payments associations that are responsible for the administration, development, and governance of the ACH Network. NACHA promulgates and enforces the NACHA Operating Rules, develops new ACH payment applications, and establishes sound risk management practices for the ACH Network.
NAS	Network Attached Storage
Natural Disaster	Fire, flood, earthquake, and other acts of God.
Network	A communication system that allows a number of systems and devices to communicate with each other.
NIST	National Institute of Standards and Technology
NOC	Notice of Change; also Network Operations Center
Non-Custodial Parent (NCP)	The legal parent (natural, adoptive or by legal ruling) who does not have primary care, custody, or control of the child and has a legal obligation to provide support.
Non IV-D	Cases that are not part of Social Services Amendments of 1974 created title IV-D of the Social Security Act (signed into law on January 4, 1975). A child support case not enforced by a Local Child Support Agency but for which income withholding collections and disbursements are processed by the SDU.
Non-Sufficient Funds	

(NSF)	Non-sufficient funds (NSF) is a term used in the banking industry to indicate that a demand for payment (a check) cannot be honored because insufficient funds are available in the account on which the instrument was drawn.
Obligor	A person who is obliged to pay child support (also referred to as the non-custodial parent or NCP).
OCSE	Office of Child Support Enforcement
ODFI	Originating Depository Financial Institution
OIR	Obligee Information Record (Interstate information) included in the Disbursement Instruction File.
OMS	Xerox Operations Management System
OPEN SCAN Technologies	Makers of the OPEN SCAN product
OPEX	Mail opening, extracting and scanning equipment
OPMP	Operational Problem Management Process
ORAR Report	Operations Readiness Assessment and Review (ORAR) Report
Orphan Data	Data that has no logical connection to a parent record.
OS	Operating System
O-Tech	State's Office of Technology
Other Safeguards	A description of the process implemented to conduct all required internal inspections and address all identified findings.
Owing Participant	An individual obligated to pay child support, a custodial party that is repaying a receivable, or an employer or non-custodial parent repaying a previously dishonored payment. See also Obligor.
PABX/ACD	Private Automatic Branch Exchange/Automatic Call Distributor
Participant	A case member in a IV-D or Non IV-D case (e.g. custodial party, non-custodial parent, dependent)
Participant Data Management Module	The module in KidStar that supports the participant (i.e. Participant Address, Bank Account, Derog History). This is also known as Case Management.
Payee	Person or organization in whose name child support money is paid.

Payment	The amount paid for compensation of child support, arrears of child support, medical support or child and spousal support.
Payment Due Date	The date in the court order which states when the payment is due.
Payment Method	The medium used to receive/obtain a child support payment. Types of medium include cash, check, money order, EFT, credit card and wire transfers.
Payment Source	The origin (e.g. person, agency) or the enforcement method used to obtain the support payment received (e.g. writ, income withholding order, etc.).
Password	A confidential sequence of characters used to authenticate an individual's identity, usually during a logon process.
Payor	A person who makes a payment, usually non-custodial parents or someone acting on their behalf, such as the non-custodial parent's employer
PB	Pitney Bowes
PBX	Private Branch Exchange
PCB	CCSAS Production Control Board
PCI	Payment Card Industry (see below)
PCI Security Standards Council	The PCI Security Standards Council is an open global forum for the ongoing development, enhancement, storage, dissemination and implementation of security standards for account data protection. The PCI Security Standards Council's mission is to enhance payment account data security by driving education and awareness of the PCI Security Standards.
PCM	Project Control Manager
PCP	Process Control Plans
PDA	Personal Digital Assistants
PDF	Portable Document Format
PE	Physical and Environmental
PERT	Program Evaluation and Review Technique
PGP	Pretty Good Privacy encryption
Phase-Gate Process	The framework for implementing a structured project management process. The process defines a sequence of phases and gates that each

	project must pass through, providing a roadmap for the consistent, successful execution of projects.
Physical Collection	A negotiable payment instrument presented for payment of child support obligations; a physical collection represents one or more logical collections "on behalf of" one or more NCPs. For example, an employer with several employees with wage assignments may submit one check for the sum of these obligations.
Physical Security	The protection of information processing equipment from damage, destruction or theft; information processing facilities from damage, destruction or unauthorized entry; and personnel from potentially harmful situations.
PI/PII	Personal Information
PIN	Personal Identification Number
PIT	Production Incident Team
Planned Actions Affecting Procedures	Any planned agency action that would create a major change to current procedures or safeguard considerations.
PMF	Participant Match File. The PMF files are a transfer of data from CSE to the SDU that occurs outside of the standard integration architecture that defines other interfaces. The PMF data is extracted from data tables in the CSE database and saved as 13 individual files. Each of the 13 files contains specific participant and case data for all CPs, NCPs and dependents identified as participants (both IV-D and Non IV-D) in the child support program. CSE sends these files to the SDU weekly via secure file transfer protocol (SFTP).
POC	Point of Contact
Policy	High-level statement of the guiding principles and objectives, and the general means for their attainment for a specified subject area.
POS	Point-of-Sale
Positive Pay	Positive pay is the leading method of check fraud deterrence available. The positive pay process entails a daily reconciliation of a company's issued checks to checks presented for payment to the bank to identify potentially fraudulent checks.
PMBOK Guide	A Guide to the Project Management Body of Knowledge presents a set of standard terminology and guidelines for project management.
PMI	Project Management Institute

PMM	Project Management Methodology
PMO	Project Management Office
Post-Cutover	Activities that occur following the cutover. Synonymous with the term post-implementation.
PPRMP	CCSAS Production Problem Resolution Management Plan
Pre-Cutover	Activities that occur prior to cutover.
Preventive Action	Action to prevent potential non-conformity or performance issues by identifying and eliminating root causes. Preventive action mitigates risk.
Privacy	The right of individuals and organizations to control the collection, storage, and dissemination of information about themselves.
Problem Resolution	The process by which CCSAS development and production problems are managed.
Procedure	A course of action to be taken to perform a given task.
Process	A sequence of steps performed for a given task.
Projected Baseline Compensation	Calculated amount of estimated compensation based on the estimated number of disbursement transactions processed over the life of the contract multiplied by the Disbursement Transaction Rate.
Proprietary Information	Computer programs, files, and data owned by a company or government agency. These programs need protection from disclosure by unauthorized persons.
PRT	Problem Resolution Team
Public Information	Any information prepared, owned, used, or retained by a state agency and not specifically exempt from the disclosure requirements of the California Public Records (Government Code, Sections 6250-6255), or other applicable state or federal laws.
PSG	Payment Solutions Group, responsible for the design, development, implementation, testing, deployment and maintenance of the Electronic Debit Card (EPC) solution for the California SDU project.
QMS	Quality Management System
QSA	Qualified Security Assessor

Quality Assurance (QA)	1) A planned and systematic pattern of all actions necessary to provide adequate confidence that an item or product conforms to established requirements. 2) A set of activities designed to evaluate the process by which services are delivered. The process of verifying work.
RA	Risk assessment
RAD	Requirements Analysis Document
RC	Release Candidate
RCD	Reports Control Definitions; also Report Control Document
RDBMS	Relational Data Base Management System
RDFI	Receiving Depository Financial Institution
RDI	Returned Deposit Item
Read Only	Limitation on access by a user to the system. Read only access does not allow a user to add, delete or change data. Part of system security.
Recipient	An individual eligible for and receiving aid or services through a public assistance program. A person or organization that receives support funds and/or Temporary Assistance to Needy Families (TANF) / California Work Opportunity and Responsibility for Kids payments.
Reconciliation	The process of achieving balance between inputs and outputs – financial and data.
Recovery	The restoration of a system, program, database, or other system resource to a state in which it can perform required functions. Ref. IEEE-610.12-1990
Regulation E	Issued by the Board of Governors of the Federal Reserve System pursuant to the Electronic Fund Transfer Act (15 U.S.C. 1693 et seq.). The information- collection requirements have been approved by the Office of Management and Budget under 44 U.S.C. 3501 et seq. and have been assigned OMB No. 7100–0200. This part carries out the purposes of the Electronic Fund Transfer Act, which establishes the basic rights, liabilities, and responsibilities of consumers who use electronic fund transfer services and of financial institutions that offer these services. The primary objective of the act and this part is the protection of individual consumers engaging in electronic fund transfers.
Release	In a technical context, a grouping of software items that is made available to the user community at a point in time. Also, the relinquishment of a right or claim against a person.

Remittance Advice	An electronic or paper communication accompanying a physical collection that identifies the various NCP payment(s) contained in the physical collection.
Remitter	See Payor.
Reports of Internal Inspections	Copies of a representative sampling of the Inspection Reports and a narrative of the corrective actions taken (or planned) to correct any deficiencies.
Requirement	A condition or capability that must be met or possessed to satisfy a contract, standard, specification, or other formally imposed documents.
Responsible Officer(s)	The name, title, address, email address and telephone number of the agency official, authorized to request Federal tax information from the IRS, the SSA, or other authorized agency and those responsible for implementing the safeguard procedures.
Responsiveness	A Final Proposal that clearly meets the RFP requirements and conditions without material deviations.

Restricting Access to the Data	A description of the procedures or safeguards to ensure that access to FTI is limited to those individuals who are authorized access and have a need to know.
Returned Item	Any item that is not deliverable to the addressee at the address printed on the check.
Review	A process or meeting during which a work product, or a set of work products, is presented to project personnel, managers, users, customers, or other interested parties for comment or approval.
Risk	The likelihood or probability that a loss of information assets or breach of security will occur.
Risk Management	The art and science of identifying, analyzing, and responding to risk factors throughout the life cycle of a project and in the best interest of its objectives.
Risk Management Control	Risk management control is a method to insure that all steps of the risk management process are being followed and risks managed methodically. Risk tracking and control involves the oversight and tracking of risk mitigation action plan execution, re-assessment of risks, reporting risk status, and recording risk information changes are communicated and updated in any risk tracking mechanisms. Risk management control activities exist throughout the contract performance period.
Risk Management Planning	Risk management planning began with the announcement of award of contract with DCSS and will continue over the course of all the defined project phases.
RMP	Release Management Plan
RTC	Rational Team Concert for defect and issue tracking & resolution
RTVM	Requirements Traceability Verification Matrix
SAG	Status at a Glance
SAM	State Administrative Manual
SAN	Storage Area Network
SAR	Security Assessment Report
SAS	Statements of Auditing Standards
SCO	State Controller's Office

SCSEM	IRS Safeguard Computer Security Evaluation Matrix
SDLC	Systems Development Lifecycle
SDM	Standard Development Methodology (Xerox)
SDU	State Disbursement Unit
SDU360	Xerox's branded SDU system solution
Secure File Transfer Protocol (SFTP)	The SSH File Transfer Protocol, (sometimes called Secure File Transfer Protocol, Secure FTP), or SFTP, is a network protocol that provides file access, file transfer, and file management functionality over any reliable data stream.
Secure Storage of the Data	A description of the security measures employed to provide secure storage for the data when it is not in current use.
Security	Protection of information and information systems from unauthorized access.
SEIM	Security and Event Incident Management
Service Agreement	Means this Service Agreement or contract, by whatever name known or in whatever format used. The terms "contract", "Service Agreement" and "Agreement" may be used interchangeably.
Service Level Standard	An objective measurement of system or staff performance that is mutually agreed to prior to the measurement period.
Service Provider (SP)	The Business Entity with whom the State enters into this SDU contract.
Settlement Date	The date on which an exchange of funds with respect to an entry is reflected on the books of the Federal Reserve Bank(s).
Severity	Used to classify incidents, defects and risks to determine problem resolution approaches and timing requirements.
SFTP	See Secure File Transfer Protocol
SIMM	Statewide Information Management Manual
SIMM 65C	Information Security Incident Report
Site (Site-Specific)	A specific location where CCSAS workstations are permanently installed and child support services are provided.

SLA	Service Level Agreements
SLS	Service Level Standard
SNA	System Network Architecture
Social Security Number (SSN)	The SSN was originally devised to keep an accurate record of each individual's earnings, and to subsequently monitor benefits paid under the Social Security program. However, use of the Social Security number as a general identifier has grown to the point where it is the most commonly used and convenient identifier for all types of record-keeping systems in the United States.
SOP	Standard Operating Procedures
SOW	Statement of Work
SP	See Service Provider
SPA	Subsystem Problem Analysis
SPI	The schedule performance index describes what portion of the planned schedule was actually accomplished and indicates whether completed work is ahead or behind its planned value.
SQA	Software Quality Analysis
SQI	The Software Quality Index expresses the overall quality of test items that have been released.
SRR	Safeguard Review Report
SSH	Secure Shell
SSL	Secure Sockets Layer
SSN	See Social Security Number
SSP	Stakeholder Support Portal
Standard (s)	Mandatory statement of minimum requirements that support some part of a policy.
State Case Registry (SCR)	A database maintained by each state that contains information on individuals in all IV-D cases and all non IV-D orders established or modified after October 1, 1998. Among the data included in the SCR is the state's numerical Federal Information Processing Standard (FIPS) code, the state's identification number (which must be unique to the case), the case

type (IV-D vs. non IV-D), locate information on persons listed in the case, in addition to other information. Information submitted to the SCR is transmitted to the Federal Case Registry (FCR), where it is compared to cases submitted to the FCR by other states, as well as the employment data in the National Directory of New Hires (NDNH). Any matches found are returned to the appropriate states for processing. See also: Federal Case Registry.

State Controller's Office
(SCO)

The State Controller's Office has statutory authority to superintend the fiscal concerns of the State and to audit disbursements of State funds and withhold payments for any claim until it has been audited in conformity with applicable laws, rules and regulations.

State Disbursement Unit
(SDU)

The Personal Responsibility and Work Opportunity Reconciliation Act of 1996 added a title IV-D State plan requirement under which the State plan must provide that, on or after October 1, 1998, the State agency will operate a State Disbursement Unit in accordance with Section 454B of the Act. Under Section 454B, the State disbursement unit must collect and disburse payment under support orders in all IV-D cases, and in non IV-D cases in which the support order is initially issued in the State on or after January 1, 1994, and in which the income of the noncustodial parent is subject to withholding.

Statements of Work
(SOWs)

Defines contractually required services or products, or constraints on those services or products.

State Treasurer's
Office (STO)

The Treasurer is the State's banker. www.treasurer.ca.gov

Structured Query

Language (SQL)

Language used to view or update information within a database.

Suspended Collection A physical or logical collection which cannot be identified to a participant or case in CSE or is missing key data needed to allocate the collection to a case.

System Integration

The process of combining software components, hardware components, or both into an overall system. Business integration involves unification of new and revised business functions to ensure integrity of Child Support Enforcement services. Full integration consists of both technical and business components that must be managed in tandem for a successful statewide system implementation.

System of Records	A description of the permanent record(s) used to document requests for, receipt of, distribution of (if applicable), and disposition (return to IRS or destruction) of the FTL.
T4T	Training For Trainers
TAD	Technical Architecture Document
Test	An activity in which a system or component is executed under specified conditions, the results are observed or recorded, and an evaluation is made of some aspect of the system and/or component. Ref. IEEE-610.12.1990
Test Case	A set of test inputs, execution conditions, and expected results developed for a particular objective.
Test Plan	A document that describes the scope, approach, resources, and schedule of intended test activities. Ref. IEEE-610.12.1990
TDS	Test Design Specification
Third Parties	Organizations (typically governmental) who exchange case member and financial data with the Child Support Program.
Threats	The capabilities, intentions, or methods used to attack an asset.
TIM	Technical Implementation Manager
Timely	Performance of activities within required designated timeframe.
Title IV-D	Reference to Title IV-D of the Social Security Act (42 USC 651 et seq.) which requires that each state create programs to locate noncustodial parents, establish paternity, establish and enforce child support obligations, and collect and distribute support payments. All recipients of public assistance (usually Temporary Assistance for Needy Families) are referred to their State's IV-D child support program.
Traceability	The degree to which a relationship can be established between two or more products of the development process, especially products having a predecessor, successor, or master-subordinate relationship to one another, for example, the degree to which the requirements and design of a given software component match.
Transition	The movement from current child support systems to the new statewide system or implementation of the SDU services and system. Transition activities include the following: (1) Changes to the technical environment including infrastructure, system deployment of data, images and application, and (2) Changes to the business environment including new policies and procedures documentation, staff user training, change

	management, and customer outreach, and (3) Data and image conversion activities.
Transmission Audit	Which may be automated, consist of record counts, reconciliation of payment data, and status of file processing activities.
TRR	Test Readiness Reviews
TTDC	Tarrytown Data Center (Xerox's Tarrytown New York Data Center)
Turnover	The transition-out activities from one SDU vendor or SDU system to another SDU vendor of SDU system.
Two-Envelope Process	Solicitations for acquisition based on evaluation criteria other than the cost alone. All bidder's cost information must be submitted in a second envelope and kept sealed and under lock and key until evaluation of all criteria, other than cost, is completed and the results published.
UNAX	Annual Unauthorized Access form
Unidentified Collection	Payment received whose source and/or payee is not known.
User	An individual that has been granted access to a system or information.
USPS	United State Postal Service
Vendor	See Bidder.
VLAN	Virtual Local Area Network
VoIP	Voice over Internet Protocol
Vulnerabilities	A feature or bug which may be exploited to enable an attack.
Wage Assignment	An action to transfer (or assign) portions of future wage payments to pay certain debts, such as child support.
WAN	Wide Area Network
Warrant	An order drawn by the Controller directing the Treasurer to pay a specified amount, from a specified fund, to the entity named.
Watchpoints	Long-term issues that may not have risen to the level of a risk but would have serious consequences if the risk should actually occur. DCSS uses this classification to track this type of exposure and the SDU will do likewise.
Web-based	

Application	An application that is accessed via a web browser over a network such as the Internet or Intranet. The term may also mean a computer software application that is hosted in a browser-controlled environment or coded in a browser-supported language and reliant on a common web browser to render the application executable. References in this RFP to the web-based application include the user interface components.
WFB	Wells Fargo Bank
Workaround	Action to enable subsequent processing when there is a risk of non-conformity or service loss. Workarounds do not address problem causation.
Work Breakdown Structure (WBS)	The basis of an integrated planning, scheduling, controlling and reporting system. The WBS is a deliverable-oriented grouping of project tasks and activities that organizes and defines the total work scope of the project. Each descending level represents an increasingly detailed definition of the project work.
Work In Progress (WIP) Tool	The Work in Progress tool is used to identify work in progress activities that must be completed either before or after the cutover.
Workstation	A personal computer and its installed software. Term is used interchangeably with desktop.
XML	Extensible Markup Language
Zero Balance Account (ZBA)	A checking account in which a balance of zero is maintained by automatically transferring funds from a master account in an amount only large enough to cover financial instruments presented.

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